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## I. PLAN DEVELOPMENT PROCESS (A and B Combined)

### **Process for developing the state plan and a summary of comments considered in the plan development process.**

A series of committees were formed to ensure maximum input into the state plan development process. An operating group was formed from representatives of the Department for Adult Education and Literacy (DAEL), the Department for the Blind (DFB), the Department for Employment Services (DES), the Department for Technical Education (DTE), the Department of Vocational Rehabilitation (DVR), the Office of Training and ReEmployment (OTR), One-Stop Career Center Systems, the Cabinet for Workforce Development, the Kentucky Community and Technical College System (KCTCS), the Cabinet for Economic Development (CED), CED Division for Research and Bluegrass State Skills Corporation, Governor's Office for Policy and Management (GOPM), the Kentucky Labor Cabinet, the Cabinet for Families and Children (CFC), the Council on Postsecondary Education (CPE), the Department for Local Government (DLG) and the EMPOWER KENTUCKY Simplified Access Team (SAT). See Appendix A for brief descriptions of each agency. The operating group was charged with developing a state plan to implement the Workforce Investment Act of 1998. The operating group formed subcommittees to address accountability, finance, information systems integration, one-stop partners, strategic planning and youth. The general public, local officials and other state agencies were also represented on each subcommittees.

Meeting for more than five months, these subcommittee developed recommendations for the state plan. **(NEED TO FLESH OUT PUBLIC MEETINGS AFTER REMAINING MEETINGS ARE HELD)** They will continue to meet and involve others as the plan evolves over the five year period.

A public hearing was held on December 15, 1998 to solicit input into the plan development process and the designation of local workforce areas. Both oral and written comments were accepted. Additional public hearings were held in March 1999 enabling the public to review and comment on the plan.. A summary of the public comment is attached in Appendix B.

## II. STATE VISION AND GOALS - INTRODUCTION

Kentucky will create a unified workforce investment framework incorporating the principles underlying the Commonwealth's 1997 postsecondary education reform. The new workforce system will be:

- Universal
- Seamless
- Customer-focused
- Performance based

The new system will respond to the needs of all Kentuckians, especially employers, job seekers, and information seekers by addressing the Commonwealth's changing demographics, and its technological and economic needs. The ultimate measure of success of the reformed workforce investment system is a higher standard of living for all Kentuckians.

Kentucky's vision for the Act is to improve the quality of the workforce, reduce welfare dependency and enhance productivity and global competitiveness. To accomplish this vision it will be necessary to:

- **Refocus** workforce and economic development efforts through a commitment to a comprehensive strategic plan that addresses customer needs, and

- **Redesign** an effective universal structure and service delivery system that is accessible to all and supported with state of the art technology.

**\*\*The goals to refocus and redesign the state's workforce system is laudable. However, the plan does not place enough emphasis on the methods to refocus & design the system rather than restating current practice. The vision is currently stated is narrowly defined and needs to be broadened.**

Every effort should be made to follow the mission statement...which includes "create a comprehensive investment framework" and "a unified education and training system" that "will be universal, seamless, performance-based and responsive to the needs of both employers and job seekers."

### GOALS AND STRATEGIES:

Paramount to the creation of a holistic strategic **transitional** plan is engaging and ensuring long-term stakeholder involvement. Continuous communication, continuity, partnerships emphasizing local empowerment, service integration, and continued accountability will serve as the foundation for systemic workforce reform.

This system must focus on customer needs. Kentuckians should have the tools for economic self-sufficiency, which are available through services provided in a one-stop environment. Partnerships between service providers and employers will be critical in the development of a market-driven workforce that demands lifelong learning.

The new system envisions access to services through true one-stop centers. Such centers, while maintaining flexibility to reflect local workplace needs, should seek to maximize service to all customers.

Accessibility for all customers must include access from remote locations, accommodations for persons with disabilities, and multiple points of access to services. Information should be made available through fully connected databases using technology accessible to all individuals regardless of skill-level or physical ability. Technology will also be a critical factor in maximizing the capability to provide training through distance learning.

#### **A. What are the State's broad strategic economic and workforce development goals.**

Governor Paul E. Patton's overarching goal for the Commonwealth is to increase economic opportunity for its citizens and raise the standard of living above the national average in 20 years. Additionally, through a statewide strategic planning process, the following economic development goals were established: to reduce unemployment and increase per capita income; create a globally competitive business environment; manage resources to maximize return on investment; and manage Kentucky's natural resources and cultural assets to ensure long-term productivity and quality of life. The goals are being achieved through numerous state and private sector initiatives.

Kentucky recognizes the critical importance of expanding, improving and sustaining a system of workforce development and life-long learning. The Cabinet for Workforce Development currently includes agencies that are responsible for the following major federal education, employment and training programs: Job Training Partnership Act (JTPA), the Carl D. Perkins Vocational and Applied Technology Education Act, the Adult Education Act, the Vocational Rehabilitation Acts, School-to-Work Act, and the One-Stop Career Center system grant. In addition the Cabinet houses the state's Occupational Information Coordinating Committee, the state Job Training Coordinating Council, the State Board for Adult and Technical Education, the State Board for

Proprietary Education and the Workforce Partnership Council. No other state agency in the country includes all of these programs under one organization umbrella. The administrative structure has enabled Kentucky to develop policies, plans and programs that are closely linked and integrated. In 1994, the CWD updated its four-year strategic plan, which included the development of a comprehensive mission statement.

The mandates for KCTCS articulated in the Postsecondary Education Improvement Act suggest that KCTCS has capability to provide core, intensive, and educational services envisioned in the Workforce Investment Act. Responsibility to provide the entire range of services required by WIA should not be limited to those entities that have provided services in the past.

In June 1994, Kentucky completed the first-ever Strategic Plan for Economic Development. The plan was prepared by the Kentucky Economic Development Partnership Board, a public-private body established by the Kentucky General Assembly and charged with overseeing economic development activities throughout the Commonwealth. In preparing the plan, the Board collected substantial data on the state's economic, social and education status, met with and interviewed Kentuckians from all regions of the state and all sectors of the economy, and conducted over 20 focus groups around the state in which public and private sector Kentuckians had an opportunity to express their views on the current economic situation and their priorities for the future. Workforce training was a critical element of the Economic Development Strategic Plan. The need for a better-trained workforce was the most frequently mentioned issue in the many focus groups. Implementation teams have been put together to work on the plan's recommendations for workforce development efforts.

In a 1997 special session, the General Assembly enacted the *Kentucky Postsecondary Education Improvement Act*. One of the focal points of this legislation was the creation of the Kentucky Community and Technical College System. KCTCS is charged with the provision of the first two years of postsecondary education and more specifically, is expected to provide education and training programs "necessary to develop a workforce with the skills to meet the needs of new and existing industries...." This charge is further articulated in the legislation by assigning KCTCS the responsibility to "increase the technical skills and professional expertise of Kentucky workers" through degree, diploma, and certificate programs, and further to develop a pool of educated citizens to support the recruitment and expansion of business and industry. Clearly, accomplishing these mandates is critical to the realization of the goals in the economic development strategic plan as well as being consistent with the goal to raise the Commonwealth's per capita income.

While Kentucky has undertaken a number of efforts to improve the educational, employment and economic status of its citizens, none of these initiatives individually has the capacity to achieve the Governor's goal of economic prosperity. Describe or list initiatives. Modifying Kentucky's workforce delivery system will improve the Commonwealth's economic future and standard of living relative to the rest of the country. Changes driven by a policy that emphasizes local engagement and flexibility in planning and decision-making are critical to meet the workforce needs of the citizens of Kentucky.

The unique needs of the Commonwealth's social and economic circumstances must be recognized and accommodated. It is essential that an improved system include a more efficient utilization of resources; greater private sector involvement; and a more inclusive approach to policy-making and planning that will enhance collaborative relationships.

Local empowerment to implement the provisions of an improved workforce development system provides the flexibility needed to meet changing employer needs and unique community circumstances. To achieve sustained, long-term benefits and expand community engagement, a coordinated local effort is imperative. To achieve sustained, long-term benefits and expand community engagement, a coordinated local effort is imperative. Locally designed and driven workforce development systems provided in partnership with local elected officials (LEOs) and workforce investment boards (WIBs) provide the flexibility needed to meet changing employer needs and unique community circumstances.

Kentucky envisions the Act as the vehicle for a broader, more comprehensive approach to meet the workforce challenges of the Commonwealth. The unified approach to developing the state's plan is an indicator of the approach to be taken to implement the Act throughout the commonwealth. Key principles that guide both plan development and subsequent implementation illustrate this commitment. They are:

- a workforce that is prepared to meet employer needs;
- workers who are able to earn a sustainable income;
- technology to deliver agency services, educational programs through distance learning; and
- active partnerships within local communities to coordinate programs among agencies and with employers.

Kentucky views this opportunity to develop an implementation plan for the Act with great importance. Although Kentucky has implemented improvements to its current workforce delivery system, it is evident that much more needs to be done to ensure that the workforce possesses the skills necessary to compete in today's economy. The levels of poverty, the low per capita income, and the low levels of educational attainment must be addressed through a holistic approach that serves the needs of all Kentuckians.

**B. State's vision of how the Act's statewide workforce investment system will help the state attain these strategic goals.**

Kentucky's workforce investment system is the primary mechanism through which the strategic economic and workforce development goals will be attained. Increasing the per capita income is the ultimate measure of the system's success. In 1997, Kentucky's per capita income was \$20,599 while the nation's was \$25,298. (U.S. Department of Commerce, U.S. Labor Statistics) The factors that have contributed to Kentucky's low per capita income include:

- the low education attainment of its citizens;
- the predominately rural environment;
- fluctuations in and the decline of the coal sector and, most recently, the textile industry;
- the decline in the relative economic importance of the agricultural sector;
- the lack of research and development facilities;
- the lack of corporate headquarters; and
- the historical low investment in human capital.

According to Dr. Mark Berger, University of Kentucky, in his report entitled "Kentucky's Per Capita Income: Catching Up to the Rest of the Country", the factors that have contributed to Kentucky's low per capita income include:

- The low education attainment of its citizens;
- The predominantly rural environment;
- Low level of labor force participation

#### Vision Questions/Statement

- **In five years, how will services be further streamlined?**

Rethinking the way customers are served in the One-Stops is essential to create an integrated workforce investment system. Components include: staff training, mechanisms by which customers can relate to the necessary resources, and self-service methodologies will maximize staff strategies and program integration.

Therefore, a critical component will be the creativity and innovation at the local level.

Generally, it is difficult at the state level to identify methods to streamline services. In order to promote this innovation, demonstration grants should **may** be awarded to local areas that develop and model best practices.

To further streamline services, technology must be compatible, connected and fully integrated. There should be no stand-alone systems that restrict access and limit the effectiveness of shared customer information; **however, locally designed technology systems may also be needed for specific labor market information.** [Note: Care should be taken that local systems be compatible with state's information system order to maximize availability of information.]

Equipment and assistance should be non-program dedicated and there will be unrestricted on-site access to resource room tools, **unless restricted by the enabling legislation.** [Note: Commentor indicates that the preceding sentence without the proposed revision conflicts with veteran's program regulations.] Funding streams must not dictate access to equipment or staff assistance. This will require significant training to develop a staff with the capacity to assist customers. **Staff training to assist customers will be provided by KCTCS OR add a paragraph on the role of KCTCS to provide train-the-trainer services for staff who will assist customers.** [Note: This comment appears to violate procurement requirements of WIA.]

**CFC COMMENTS:**The first sentence needs more specificity to clarify what is compatible and what is connected. ...it makes us uneasy to indicate that there will be no stand along system. While that would be ideal, it may not be possible. Also, under the current federal laws and regulations it is sometimes necessary for equipment and assistance to be restricted. We agree we should lobby federal agencies to change rules to make this possible. In the interim, we should move toward this as much as possible without being out of compliance with federal laws and regulations.

**Chamber of Commerce COMMENTS:** Let's be innovative here! What about no walls between functions, funding streams, activities that coordinate to meet multiple needs.

- **What programs and funding streams will support service delivery through the One-Stop system?**

All required and any additional partners will support service delivery through the one-stop system by providing funds, services, staff or other in-kind resources, **consistent with regulations**



and resources available for those partners. Within each local area, the mix and level of service delivery will be negotiated between the partners and the local WIB.

- **Typically, what information and services will be provided and how will customers access them? How will the goal of universal access be assured?**

Services for customers will be available in local areas including libraries, schools, local union halls, local government centers, registered apprenticeship locations, retail and public areas such as shopping malls that will have access to job search and education and eligible training providers. There will be one-stop centers located in various areas to assist customers in seeking jobs, education, and training. These centers will also match and make available employer-requested customized training to job seekers.

It should be emphasized that eligible training providers may be either public or private sector providers. This would be more inclusive.

Services and information for customers will be available in local workforce investment areas through multi-access points. Services and information may include: LMI, educational opportunities, employment opportunities, employer requested customized training, and job matching. Universal access will be assured through the local plan approval process managed at the state level.

- **For customers who need training, how will informed customer choice and the use of the Individual Training Accounts (ITAs) be maximized?**

In order to maximize the use of ITAs through informed customer choice, the state administrative agency will maintain an electronic list of eligible training providers that includes performance data. Regularly updated, this list will be available to the local WIB staff, the one-stop staff and to individuals through electronic means, such as web sites on the Internet. The Kentucky Resource Directory will may serve as another vehicle to access this information regarding providers and performance. Local WIBs will be required to specify in their plans the criteria that will allow for exceptions to the use of ITAs.

How can we develop the system so that the “voucher” is attractive enough to providers in order to stimulate competition for those resources?

- **How will Wagner-Peyser Act and unemployment insurance services be fully integrated into the system?**

DES through the one-stop system will provide all Wagner-Peyser functions and service to unemployment insurance claimants, with services delivered by merit employees.

Wagner-Peyser functions and service to unemployment insurance claimants will be provided through the one-stop system by DES merit employees. [Note: Other comments indicate that there should not be a presumptive provider of services.]

- **How will the state’s workforce investment system help achieve the goals of the state’s welfare, education, and economic development systems?**

The governor’s goal to increase the Commonwealth’s per capita income to the national average in 20 years can only be achieved through a combination of improved educational attainment and expanded economic development initiatives. The *Postsecondary Improvement Act of 1997* articulates this vision by stating that the general welfare and material well-being of citizens of the Commonwealth depend in large measure upon the development of a well-educated and



highly trained workforce. Further, the education and training of the current and future workforce can provide businesses and industries with the competitive edge critical to success in the global economy and must be improved to provide citizens the opportunity to achieve a standard of living above the national average. The newly created KCTCS is charged with the responsibility to assure the training necessary to develop a workforce with the skills to meet the needs of new and existing industries, and remedial and continuing education to improve the employability of citizens.

In creating a workforce system that is more flexible, responsive to customers, accessible, and designed to break down barriers which artificially limit workers' success, the overall outcome will be a better educated and trained workforce that leads to an improved standard of living. In turn, increased education and training creates globally competitive employees who increase industry productivity.

Greater system coordination will assist employers in meeting their workforce needs. Assistance in obtaining trained workers enables existing industries to expand and encourages the recruitment of new companies. A single point of contact for employers coupled with centralized data access will make it easier to identify a trained worker pool or appropriate training provider.

Technology improvements in the establishment of information resources and the delivery of educational programs will transcend barriers that had limited access in the past. Data elements that are more accessible, valid and appropriate for decision making are needed. Sampling methods for collecting employment demand data must employ more reliable techniques to be reflective of the actual workforce.

The expanded array of services supported by the redesigned workforce investment system will benefit the general population as well as targeted audiences, such as welfare clients. Universal access will assist all unemployed or underemployed workers to identify relevant support or educational programs which contributes to a skilled workforce. This will also reduce any perceived stigma that services are only for low income individuals. The addition of counseling services will lead to more appropriate matches between skills and employment opportunities and the development of realistic expectations about the relative merits of the pursuit of different career goals. Increased outreach efforts, including marketing to target audiences, will assist in making groups such as welfare clients aware of the services available through the system. Close working relationships between the local welfare planning entities and the one-stop centers will help assure that this critical population receives professional workforce development services in a non-threatening and seamless fashion, increasing the potential for successful transition from welfare dependency to self-sufficiency.

Counseling services are noted as being available to lead to the development realistic expectations about the relative merits of the pursuit of different career goals. Careers in the construction or skilled trade's areas should be emphasized. Economic development will be difficult without necessary infrastructure improvements including roads, factories, service locations, etc. including the maintenance of these. This infrastructure is created by the construction skilled trades employees. The national experience is a shortage of skilled construction workers. If Kentucky is to meet expectations, this need must be met and be provided for as part of this strategic five-year workforce investment plan.

Distance learning technology permits delivery of educational programs and courses to multiple sites to maximize the use of resources. Service to employers will be enhanced through the offering of programs specifically designed to meet their training needs. Access to information on educational programs and their effectiveness enables more effective decision-making. Local flexibility allows communities to target specific educational and training needs of the population such as those who need literacy training. Certification of multiple providers in each community coupled with individual choice to select an educational program provides an increased opportunity for personal responsibility.

By designing a workforce investment system more consistent with the goals and needs of the welfare, education, and economic development systems, Kentucky will make significant progress toward achieving its goal of improving economic prosperity and raising the standard of living in the Commonwealth above the national average in 20 years.

Make a clearer link between: increasing skills = higher rates of employability = higher wages = increased levels of business productivity = higher levels of economic activity = higher tax revenues on a lower base to fund social programs = continued prosperity.

- **How will the youth programs be enhanced and expanded so young people have the resources and skills they need to succeed in the state's economy?**

Local areas through their local youth council have the flexibility to determine programs that will assist young people. For example, Jobs for Kentucky's Graduates (JKG), administered by Kentucky Department of Education, provides services to youth with the same characteristics as identified in the Act. Through this drop-out prevention program, secondary school youth are assessed for basic skills, given career interest inventories, and taught employment and study skills in a formally organized course. Students are placed in jobs during their senior year. Although the philosophy and design of JKG are compatible with the Act, only 35-40 Kentucky high schools participate. Extension of this program to additional schools will help more secondary students get the training and education needed to become and stay employed.

**[EXAMPLES OF OTHER YOUTH PROGRAMS SHOULD BE INCLUDED IN THIS SECTION.]**

Through EMPOWER Kentucky initiatives such as EMPLOY Kentucky, the State Board will continue to explore ways which enable partners external to state government to access databases that improve accessibility. [Note: Subsequent to the submission of this comment, we believe that the reference to EMPLOY Kentucky should be omitted.]

The State will ensure that the Local areas, through their Youth Councils, have the flexibility to develop programs to assist young people in accessing services that will enhance and/or expand their education and employment skills. There are several exemplary youth programs throughout the Commonwealth that currently address the varied needs of our youth. Some examples include Jobs for Kentucky Graduate, Job Corps, Family Resource Centers (instituted under the Kentucky Education Reform Act.) Goodwill Industries Youth Training Programs, and other local youth training initiatives that have been very successful in addressing "high risk" youth. The extension of these programs in the local area will provide the necessary resources and linkages in order for the youth to access more opportunities to receive the training and education needed to obtain and retain employment. Youth 14-18 will be provided with training

and education services, including summer employment activities, through contracted services. Youth 19-21 will access services through the one-stop.

It is imperative that programming be a local decision. Local youth councils will ensure youth programs are enhanced so young people have resources and skills needed. The local youth council will depend on area employers to define necessary skills and Secretary's Commission on Achieving Necessary Skills (SCANS) to prepare youth for success in the state's economy. Local decisions may include expanding such programs as JKG, Job Corps, summer youth employment or other existing programs.

### C. Identify the performance indicators.

- For adults, dislocated workers and youth 19-21
  - Entry into unsubsidized employment
  - Six-month retention in unsubsidized employment
  - Six -month earnings received in unsubsidized employment
  - Attainment of educational or occupational skills credential
- For youth 14-18
  - Attainment of basic skills, work readiness and/or occupational skills
  - Attainment of secondary school diplomas/equivalents
  - Placement and retention in postsecondary education/training, or placement in military, employment, registered apprenticeships [Note: Original language is taken directly from Workforce Investment Act.]
- Customer Satisfaction
  - Employers
  - Participants

Kentucky will include negotiated levels of performance prior to plan approval. No additional measures are requested for the first year of the plan. Kentucky will continue to monitor and evaluate and may, in the future, add additional measures.

Although these indicators touch all programs provided by mandatory one-stop partners, the reference to "negotiated levels of performance" being provided prior to plan approval is specific to Title I training activities which replace JTPA. We believe all other programs are currently reporting performance in some fashion to their funding authorities. For a new workforce investment system to be effective, intensive work needs to begin to identify performance indicators and standard which can be applied across program lines, not limit the discussion to Title I. For Kentucky to move forward toward achieving the strategic economic and workforce development goals specified on pages 2-4, more is needed in the identification of performance expectations than to provide the bare minimum specified in the Act. Although the timelines for plan submission are very stringent, the development of meaningful outcome indicators and measures is crucial to the creation of an effective workforce development system. These directives need to be aggressively pursued by the reconstituted Accountability sub-committee of the Operating Workgroup.

The statement following the list of performance measures should be amended to incorporate the concept that performance measures should meet or exceed the national norm established for this program. If not currently available, national norms should be established for each measure.

The accountability standards present the most challenge. The Council on Postsecondary Education has presented an annual accountability report on public institutions and will continue to do so. WIA requires accountability measures. If the measures are to be useful and meaningful they will not be easy. Consider the following:

- Develop consistent measures and definitions
- Keep education measures comparable to those required by accreditation organizations and state agencies
- Standardize required reports in areas such as enrollments, completions, placements, and customer satisfaction
- Consider securing data from statewide sources such as placement and wages from unemployment insurance files.

### III. ASSESSMENT

#### A. Market Analysis

##### 1. Key trends that are expected to shape the economic environment of the state during the next five years.

In 1997, manufacturing represented 14.9 percent of all jobs in Kentucky and services comprised 25.4 percent. In durable goods manufacturing, the fastest growing sectors are transportation equipment, motor vehicles, and fabricated metals products. High growth nondurable goods manufacturing sectors include rubber and miscellaneous plastic products, paper and allied products, and textile mill products. (U.S. Department of Commerce, Bureau of Labor Statistics)

From 1993 to 1997, business services grew almost seven percent per year, the fastest growth among services industries. The service sectors with the largest share of employment in Kentucky were business services and health services. Business services comprised 19.3 percent of all service sector jobs in 1997. (U.S. Department of Commerce, Bureau of Labor Statistics)

##### Kentucky's occupational outlook to 2005

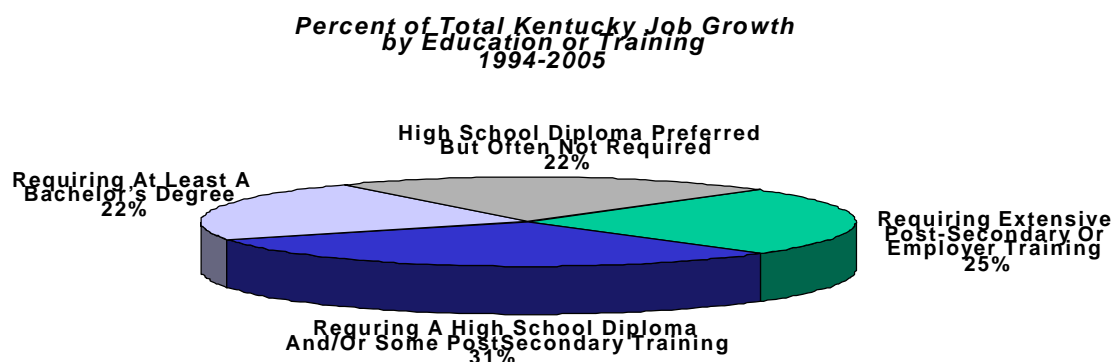
The Kentucky economy is expected to grow at a rate of about 17 percent and create over 300,000 new jobs through 2005. An additional 428,000 job vacancies will likely occur as workers leave or separate from various occupations in Kentucky. Such job vacancies become available from retirements, promotions or transfers within occupations. This means the Kentucky economy will generate over 66,000 jobs per year through 2005 which will have to be filled by newly educated and trained workers.

Nearly 50 percent of the new jobs created through 2005 will be in two major occupational divisions: professional/technical and services. Employment in professional/technical occupations will produce the most new jobs of all sectors followed by new service jobs. Within

these two major sectors, health care and computer-related occupations will grow very rapidly through 2005. New jobs in personal service and protective service occupations will also increase at a very fast pace.

Employment will grow in occupations requiring all levels of education and training. Kentucky's job growth will range from 22 to 31 percent through 2005 when allocated among the four education levels illustrated in the following graph. Employment in occupations requiring education and training beyond high school will increase in the share of total employment by 2005.

[Note: One commentor inquires about the comparability of 17 percent growth in the economy with 22 to 31 percent job growth. Since overall economic growth is broader than job growth, the percentages do not need to be the same.]



Source: Kentucky Workforce Development Cabinet, Department for Employment Services, Research and Statistics Branch.

## 2. Identify the implications of these trends in terms of overall availability of employment opportunities by occupation, and the job skills necessary in key occupations.

The Kentucky Cabinet for Economic Development recently partnered with other economic development organizations across the state to develop a target industry analysis. The study identified two industries for five regions across the state which Kentucky can provide competitive advantages. The industries were chosen based on the return on investment each industry would bring to the state. The following table indicates the industries, occupations associated with each industry and the region of the state for which the industry is being targeted. It must be noted, however, that while the study allows Kentucky to utilize limited marketing resources more effectively, there are many other industry sectors for which Kentucky offers a competitive advantage.

Industry	Occupations associated with industry	Targeted Region
Production Distribution and Construction Related Machinery and Equipment	Machinists, assemblers and fabricators, production supervisors, sales and related workers, tool & die makers	Central and Northern Kentucky Regions

Automotive Parts and Accessories	Assemblers and Fabricators, Blue collar worker supervisors, inspectors, tester, and graders; machine tool workers; machinists	Central Kentucky
Subassemblies and Components	Electrical and electronic assemblers; assemblers and fabricators; inspectors, testers & graders; blue collar workers supervisors; electrical and electronic engineers; electrical and electronic technicians	Eastern Kentucky
Rubber and plastics products	Plastic molding machine operators assemblers and fabricators; tire building machine operators; machine operators	Eastern Kentucky
Delivery Time Sensitive high value-added products and services	Electrical and electronic technicians, including repair; electrical and electronic engineers; secretaries; computer engineers and scientists	Louisville/I-65 corridor
Metal Stamping and machined Products	Assemblers and fabricators; sheet metal workers; welders and cutters	Louisville/I-65 Corridor
Headquarters and Sales Offices	Account managers, sales professionals; production managers; customer service representatives; computer operators	Northern Kentucky
Port-related manufacturing	Blue collar worker supervisors; laborers and material movers; packaging filling machine operators; assemblers and fabricators, industrial machinery mechanics; machine feeders, drivers of light and heavy trucks	Western Kentucky
Information Age (call centers and back office operations)	Customer service representatives; network technicians; collection agents, general clerks, secretaries, administrative assistant, production clerks	Western Kentucky

Source: Target Industry Analysis. Prepared for the Cabinet for Economic Development by the Wadley-Donovan Group, 1997.

The Target Industry Analysis table does not have any survey data on construction. [Note: Construction data were not part of the survey, however, such information could be included if made available for inclusion in the plan.]

The Target Industry Analysis also included an employer attitude survey. The survey indicated that many employers are not able to hire persons with the skill needed by their firms. Further, the current workforce development system does not adequately identify employer needs nor effectively prepare Kentucky workers for future opportunities. The employers indicated a shortage of workers in most skilled production and maintenance occupations (machine operators, and maintenance mechanics), experienced managers, computer systems professionals and technicians.



In addition, basic skills of job applicants were found lacking, particularly in writing ability, verbal skills, arithmetic/mathematics, and reading comprehension. The computer literacy of applicants was also reported as unsatisfactory, except for general keyboard skills, which was rated as acceptable. Other sources report that potential employees lack many of the soft skills desired by employers such as the ability to work in teams, ability to accept direction, ability to accept responsibility, conflict resolution, punctuality, attendance, etc.).

### 3. Identify the customers of the state's workforce investment system.

The customers of the Kentucky's workforce investment system are job seekers, information seekers and employers. Job seekers include first-time entrants into the labor market, persons seeking career changes, and persons re-entering the labor market. An information seeker may be any person desiring education, training, or employment information made available through the system. Employers are any public or private sector employer in the Commonwealth. These broad categories represent potential users and will serve to guide development of a system that is universal, seamless, customer-focused and performance based. Such a system will be responsive to customer needs and support flexibility in local workforce investment areas by permitting identification of target populations based upon local demographics. This system will also be responsive to the needs of long-term job seekers who may be participating in an educational/training program.

Underemployed workers are a traditionally overlooked group within the job-seeker category. The workforce investment system should give special attention to this group.

### 4. Given the projected job skills needed in the state, identify for each of your customer segments their projected skill development needs.

Each of these customers have both shared and unique skill development needs. The following is a list of general services which will be provided by the workforce investment system. However, flexibility is the key to effectively address the ever-changing needs of each customer due to developments in technology, world markets, and the economy.

Services Needed	Job Seekers	Employers	Information Seekers
Information on training providers	X	X	X
Skills needed by employers	X		X
Forecast of job growth by industry sector	X		X
Wage data by occupation and industry sector	X	X	X
Number of skilled workers by skill level and occupation	X	X	X
Skills assessment	X	X	
Assistance in placing dislocated workers	X	X	
Availability of customized training		X	
Demand for workers by skill-level and occupation	X		X



Services available i.e. information on social services	X	X	X
Demographic	X	X	X
Job relocation assistance	X		X
How to access workforce services	X	X	X

Include an additional item in the table as follows: Entrepreneurial development identified for job seekers

One comment noted that all charts should be placed in appendices.

## B. STATE READINESS ANALYSIS

### 1. Leadership

#### a. WIB - (i through vi)

The 25 member Kentucky Workforce Investment Board (WIB) was established by Governor Paul E. Patton on March, xxxxxx, 1999. With the exception of state legislators, members were appointed by the Governor from nominations submitted by the general public, particular interest groups such as business and trade organizations and state labor federations. Those appointed represent the following groups: XXXXXXXXXXXXXXXX

The Kentucky WIB's activities will be administered by existing staff of the Cabinet for Workforce Development (CWD), which will continue providing orientation, technical assistance and administrative support enabling the Board to operate in the most efficient and effective manner. The CWD will be the repository for state WIB materials; therefore, records regarding WIB activities may be obtained by contacting the administrative agency. CWD staff will ensure adequate public notice regarding Kentucky WIB meetings and activities as required by KRS 61.820 and 61.823.

Adopting Rules of Procedure at its March xxx, 1999 meeting (Appendix xxxx), the Board approved an active policy role in shaping the statewide workforce development system by establishing standards of accountability, drafting sanctions and incentive policies and evaluating local efforts to achieve the Governor's goal for greater economic opportunity.

Kentucky's WIB will adopt broad guidelines to assist the local WIBs, enabling quality and continuous improvement at the local level rather than mandating prescriptive policies. Kentucky's WIB will encourage consolidated planning and delivery of services through a coordinated and interactive process involving the local WIBs.

[Note: Comments regarding the role of the board were received; however, since the Operating Workgroup is in the process of developing an expanded statement of the role of the board, these comments are not presented in their entirety.]

#### b. Kentucky's conflict of interest policy is applicable to both the state WIB and local WIBs. It is as follows:

Conflict of interest would exist if a member of a board participated in a discussion or decision that would financially benefit that individual, an immediate family member of that individual, or an organization which employs that individual or an immediate family member

of that individual. It is incumbent for each member of the board to identify when a conflict of interest or a potential conflict of interest is possible in order to refrain from any discussion or decision-making regarding that matter. Such identification should be voiced prior to any discussion regarding that matter. Should this be an issue requiring a vote, the member must abstain from voting or participation in the decision-making process.

No member of any local WIB, established under the Act shall cast a vote on the provision of services by that member (or any organization which that member directly represents) or vote on any matter which would provide direct financial benefit to that member.

Whenever the CWD Secretary determines that there is a substantial conflict of interest violation, the Secretary may issue a notice of intent to revoke approval of all or part of the plan affected.

**c. State criteria for establishing and maintaining the local WIB.**

**Representation**

The representative of any organization, agency, or other entity shall have that organization, agency, or entity as his/her primary employer, unless that organization, agency, or entity has no direct employees in a given area, such as some economic development agencies. As an example, an individual who owns a business and/or works full time for another employer, such as the public employment service, could not represent the private sector, but could represent the employment service.

The representative of any category shall be a member of the governing board of an organization within that category or shall have an organization within that category as his/her primary employer, unless that organization has no employees in a given area...

[Note: WIA Section 117 (b)(3) - Authority of board members - suggests that representatives on the board shall be individuals with optimum policy making authority within the organization. Board members individually do not generally have policy making authority within the organization.]

[Note: One comment suggests that the plan specify required board membership. This is addressed in LOCAL WIB COMPOSITION below.]

**Proxies**

Local WIB members who are unable to attend board meetings, and who designate another individual to represent them at such meetings, must designate an individual from the same category which they represent on the WIA. For example, a business representative must designate an individual as proxy whose primary employer or employment is from business. Local WIA staff should not be designated as a proxy. State policy does not dictate that a proxy be designated; however, the local WIB may include such a provision in its bylaws.

Detailed procedures for reclassification of local board representatives and local requirements for designating proxies are out place in a general statewide plan.

**Local WIB Composition**

The WIB shall be comprised of members as identified in Section 117 of the Act. In particular, any of the one-stop agency partners may represent multiple activities provided by that agency. One-stop partners may include Department for Employment Services, Department for Vocational Rehabilitation, Department for the Blind, local adult education

and literacy providers, Cabinet for Families or community services block grant providers, KCTCS, Title I provider, or HUD local provider. Membership is not limited to the specific agencies listed in the Act; however, the majority membership must be from. Further, the local elected officials may not serve on the local WIB because of their appointment authority.

For purposes of this section, local elected officials means, “those officials who are parties to a consortium agreement relative to WIA and/or employment and training programs and who appoint or have a voice in appointing the local WIB.”

KCTCS’ statutory responsibility to prepare the workforce makes it essential that KCTCS institutions be represented on each local WIB.

Reconsider allowing local elected officials to serve on local boards. The Act does not appear to prohibit this and allowing local elected officials to serve on local WIBs will enhance a stronger sense of local ownership.

Retain the following: “Membership is not limited to the specific agencies listed in the Act; however, the majority membership must be from the private sector. Further the local elected officials may not serve on the local WIB because of their appointment authority.”

For purposes of this section, local elected officials means, “those officials who are parties to a consortium agreement relative to WIA and/or employment and training programs and who appoint or have a voice in appointing the local WIB.”

[Note: Although the Act designates appointment authority to chief elected officials, most, if not all consortium agreement give all local elected officials a voice in the appointment process.]

Proposed language: Membership on the local investment boards, at a minimum, shall consist of a representative from each of Kentucky’s mandatory one-stop partners. Appointment shall be made from nominations solicited from each of the following agency heads: DES-Employment Services, NAFTA, TAA, UI; DVR-Vocational Rehabilitation; DFB-Vocational Rehabilitation; DAEL Local Provider- Adult Education and Literacy; CFC or CSBG-provider and Older American provider; KCTCS-Postsecondary Education; Title I providers; and HUD-Local provider. The Chief Local Elected Official may solicit additional nominations upon review of the initial nominations. Should there be multiple activities provided by any of the aforementioned agencies, only one representative is required to serve on the local board. The nominations procedure policy for voluntary partners, if included in one-stop, shall be handled in the same manner as mandatory partners. [Note: The nomination process described above is not reflected in comments submitted by KCTCS.]

As directed by KCRS 12.460, local boards will include representation of persons with disabilities.

One comment requests clarification on how consortium agreements are established and who is responsible for their establishment is not clearly stated. [Note: The consortium agreements are governed by KRS 65.210-.300, the Interlocal Cooperation Act.]

### **Change in Category Representation**

If a WIB member changes employment to an organization in a category different from the one that he/she was appointed to represent, the chief local elected official(s) shall either replace the member with one from the appropriate category or officially change the category representation to the current category, as appropriate and allowable in the CEO(s) Agreement to Establish a Local WIB and/or the local WIB bylaws. Such action must occur within 60 days of the member's change of employment.

Local elected official(s) of each designated WIA shall submit a request for certification in accordance with a state-developed application package within 30 days of original appointment and every two (2) years thereafter.

Concerns about this section include: the prescription of overly detailed policies for local boards to use in dealing with changes in the representation categories of its members, and in designating proxies; the prohibition of organizations' administrative board members serving on local boards; and the inference that local board members represent a specific "agency" or "organization." This section also needs to broaden the definition of chief elected official to recognize the distinction of this definition as it pertains to rural CEPs where the governing body or CEP board acts in this capacity. [Note: The plan defines local elected officials; however, chief elected official is defined in WIA.]

#### **d. Allocation Formulas**

##### **i. State's system for Allocation of Workforce Investment Act Funds**

WIA Title I Funds are allocated on the basis of the prescribed formula and methodology from the United States Department of Labor (USDOL). The formula is one-third based on relative number of unemployed, one-third on relative excess number of unemployed and one-third on relative number of disadvantaged individuals compared to the total number of each in all states.

Seventy (70) percent of the funds allocated to the local areas for youth activities and adult training and employment activities will be allocated based on the formulas specified in Section 128(b)(2)(A)(I) and 133(b)(2)(A)(I) respectively. The remaining thirty (30) percent of the funds for youth activities and adult training and employment activities will be allocated to the local areas using the two additional discretionary factors specified in 128(b)(3) and 133(b)(3) respectively. Each discretionary factor will be weighted equally. As the local areas have not changed, the state intends to enact during the first two years a hold harmless provision where each area receives at least ninety percent of the allocation percentage of the local area for the preceding fiscal year's if allowed by WIA regulations.

##### **ii. Describe the State's allocation formula for dislocated worker funds.**

Dislocated workers funds will be allocated to the local areas using the six factors prescribed in Title I, Section 133(b)(2)(B). The weights of each of the six factors have not been determined to date.

The Governor will allocate to the local workforce investment areas eighty-five percent (85%) of the WIA Section 127 youth funds. Five percent (5%) will be used for statewide administration, and ten percent (10%) will be reserved to carry out statewide youth, adult, and dislocated worker activities specified in the Act.

The Governor will allocate to the local workforce investment areas eighty-five percent (85%) of the WIA Section 133 adult employment and training funds. Five percent (5%) will be used for statewide administration, and ten percent (10%) will be reserved to carry out statewide youth, adult, and dislocated worker activities specified in the Act.

The Governor will allocate to the local workforce investment areas sixty percent (60%) of the WIA Section 133 dislocated worker funds. Twenty-five percent (25%) will be reserved to carry out statewide rapid response activities, five percent (5%) will be used for statewide administration, and ten percent (10%) will be reserved to carry out statewide adult, youth, and dislocated worker activities specified in the Act.

Requiring that 10% discretionary funds are matched at least equally by business and industry would allow the state to increase the effectiveness of the funds. Utilization of the 10% discretionary funds should include, but not be limited to the following: implementation of skills standards; funding of skills and occupational upgrade programs for existing business and industries; pre-employment training programs for youth, dislocated workers and adults; expansion of existing training consortia and development of new training consortia throughout Kentucky.

- iii. **Include a chart that identifies the formula allocation for each funding stream to each local area for the first fiscal year.**

#### **NEED CHART**

Is there flexibility to change the formulas as our needs change? [Note: The Act does not permit this flexibility and is very prescriptive in defining the allocations.]

- e. **If this responsibility was not delegated to local boards, provide definition regarding the sixth youth eligibility criterion.**

This is a local decision which will be reviewed by the state administrative agency during the local planning process. The state strategy for assisting these individuals is to ensure employers are educated that hiring youth who have barriers to employment will be an asset.

- f. **State policies and requirements.**

- i. **Describe any state policies and requirements that have been established to direct and support the development of a statewide workforce investment system not described elsewhere in this Plan.**

The Kentucky WIB will ensure that local WIBs must have a process for the selection of local providers. At a minimum, local WIBs will have the ability to connect to the state technology system to share information, meet assurances, and document performance and customer satisfaction. Every effort should be made to expand the network to encompass all available One-Stop service providers in order to ensure true informed customer choice.

- **State guidelines for the selection of One-Stop providers by local Boards.**

[Note: The state's response to this item is predicated on its belief that the question refers to one-stop operators rather than training service providers. Guidelines for selection of training service providers is located in the section on system infrastructure.]

The state's process to work with local boards and local Chief Elected Officials to designate or certify one-stop operators will be to recommend minimal measures and

guidelines which local boards are encouraged to broaden and supplement to meet community needs. The state is willing to assist in the certifying process. **Suggestion to eliminate preceding sentence.** It is recognized that a phase-in period may be required that will be determined by the local WIBs. However, successful achievement will be linked to recertification. **Suggestion to eliminate preceding sentence.** Criteria for certification shall include, but not be limited to:

- i. ability to connect to the state's technology platform;
- ii. ability to establish a resource center for self service;
- iii. ability to provide a staff development plan that addresses technology, customer service, assistive technology and disability awareness components;
- iv. fiscal procedures; **ability to demonstrate sound fiscal procedures, integrity, and accountability**
- v. assurances (see above); and
- vi. past performance and demonstrated effectiveness as a one-stop center funded through the state's implementation grant, if applicable.

**Suggestions relating to item vi: Delete item, or, change to read "past performance and demonstrated effectiveness" or "past performance and demonstrated effectiveness to accomplish one-stop objectives."**

**In areas where there currently is no one-stop center, in the context of the provisions of the postsecondary education legislation, KCTCS institutions will serve as the one-stop operator.**

- **The state's process to work with local boards and local Chief Elected Officials to certify existing one-stop operators.**

Minimal measures/guidelines are recommended for local boards to certify one-stop operators. Local WIBs and chief elected officials are encouraged to add other measures. The state will be willing to assist in the certification process. The local WIB can establish a phase-in process for establishing one-stop operators for a designated period of time.

The minimum requirement for certification of existing one-stop operators is the ability to establish at least one full-service, comprehensive center within the workforce investment area. The optimal situation will be full co-location, full-time coordinated service delivery. However, given that limitations exist, the minimum expectation is that all of the required services will be connected through a central network and fully accessible at all times in the comprehensive center.

The state's process will include the opportunity for appeal of local WIB decisions regarding designation as a one-stop operator. The appeal process will be consistent with the appeal process described in the plan. Technical assistance will be made available to local WIB to implement the certification process for one-stop operators.

**Criteria and standards will be developed for existing and additional one-stop operators.**

**The inclusion of an appeals process of the designation of a one-stop operator ignores the law and could be construed to indicate that the state intends to circumvent the authority and second-guess the decisions of local boards, chief elected officials and even the governor. This paragraph should be removed.** **[Note:**



The Act specifies in Section 121 (e) that certification of existing one-stop operators be a joint decision of the local board, the chief elected official and the governor.]

- **Criteria by which the state will determine if local WIBs can run programs in-house.**

Local WIBs are prohibited from providing training services unless a waiver is issued by the Governor. A waiver may be issued when the following criteria are met: satisfactory evidence that there is an insufficient number of eligible providers of such a program of training services to meet local demand in the local area; information demonstrating that the board meets the requirements for an eligible provider of training services under section 122 (eligible provider criteria) and information demonstrating that the program of training services prepares participants for an occupation that is in demand in the local area. The proposed request must be made available to eligible providers of training services and other interested members of the public for a comment period of not less than 30 days; includes in the final request for the waiver, the evidence and information described above, i.e., satisfactory evidence that there is an insufficient number of eligible providers, demonstration that the board meets the requirements for an eligible provider and information demonstrating that the program prepares participants for demand occupations in the local area, and it provides copies of all comments received as a result of the public comment process.

- **Performance information that on-the-job training (OJT) and customized training providers must provide;**

All providers of OJT and customized training must provide performance information, including completion and retention rates. The local WIB will hold OJT customized training providers to higher standards than are specified for training providers in general. One measure should reflect the percentage of program completers who obtain unsubsidized employment in the industry for which training was delivered. For providers of OJT, performance measures should include: retention in unsubsidized employment for six months; increased wages resulting from increased skills obtained through OJT; or employer assisted benefits.

In the case of registered apprenticeship programs, performance criteria will be provided in the registered apprenticeship standards in accordance with KRS Chapter 343.

- **Reallocation policies;**

The Governor may, in accordance with Title I Section 128(c) and 133(c), deobligate youth and adult employment and training funds from local WIAs that fail to obligate 80 percent of a program year's allocation. These funds will be reallocated to eligible local areas based on the formula specified in the Act. The state has developed a voluntary deobligation policy that allows local workforce investment areas to transfer funds to other areas wishing to accept the funds. (see Appendix C)

- **State policies for approving transfer authority (not to exceed 20 percent) between the Adult and Dislocated Worker funding streams at the local level;**

## **TRANSFER OF FUNDS**



Funds Authorized for Transfer. Only funds allocated to local areas are authorized for transfer between the adult and dislocated worker funding streams. All transfer of funds must be described in the local WIA plan and approved by the CWD prior to becoming effective.

Identity of Funds. Once the funds are transferred, there is no separate identification; they become part of the total funds available in the receiving funding stream. The transferred funds are subject to all of the rules of the receiving funding stream, including cost limitations, and eligibility requirements.

Not more than 20 percent of the funds allocated to the local area under section 133(2)(A) or (3), and 20 percent of the funds allocated to the local area under section 133(2)(B) for a fiscal year may be transferred between adult employment and training activities and dislocated worker employment and training activities.

Local areas shall submit a request to the CWD to transfer funds between funding streams. All transfers must be completed *before* the end of the affected program year. Exceptions to this policy shall be approved by the CWD on a case-by-case basis only when an acceptable explanation is provided.

Reporting. Expenditures associated with transferred funds are not tracked or accounted for separately; they are reported as part of total available funds in the receiving funding stream.

- **Policies related to veterans' or other groups' priority for services;** One-Stop Career Centers housing Wagner-Peyser staff will provide veterans with priority employment and training services in accordance with federal law, U. S. Code Title 38, Chapters 41 and 42, and 20 CFR 1001.120(a)(b). The full array of core services will be made available to veterans in the following order of priority: veterans with disabilities, Vietnam-era veterans, veterans, and eligible persons.
- **Policies related to displaced homemakers, nontraditional training for low-income individuals, older workers, low-income individuals, disabled individuals and others with multiple barriers to employment and training.**

The local workforce investment areas may provide services to displaced homemakers as "additional dislocated workers." The goal for training low-income individuals for non-traditional employment is to provide statewide coordination approaches, including model programs, to train, place, and retain low income persons in nontraditional employment. The services that may be solicited to achieve this goal are 1) the coordination of the recruitment of low income individuals into occupations through a network of agencies and programs, 2) the provision of the following: non-threatening experimental personal assessment through activities that develop critical thinking skills, 3) determination of the base of personal knowledge related to the numbers of occupations and opportunities in a changing economy, 4) expansion of personal knowledge of the vast number of occupations available; identification of existing skills that are transferable to occupations that are nontraditional for low income individuals; and 5) discussion of the barriers that have kept low income individuals in limited occupations with low pay. Training activities for older individuals will be designed to improve participation in the workforce and lead to higher earnings for participants who successfully complete them. In the

event that the funds allocated to local areas for adult employment and training activities are limited, priority shall be given to recipients of public assistance and other low-income individuals for intensive services and training services. Persons with disabilities will be afforded the opportunity to participate in training activities designed to improve participation in the workforce and lead to higher earnings for participants who successfully complete them. For individuals with multiple barriers to employment and training such as basic skill deficiency, school drop out, recipient of cash welfare payment, offenders, individuals with disabilities, and/or homelessness, will be afforded opportunities for participation in training activities designed to improve participation in the workforce and lead to higher earnings for participants who successfully complete them. Training activities for persons in these groups will be provided in the context of the state's vision to provide universal access for all customers.

**ii. Describe how consultation with local boards and local chief elected officials occurred.**

The state involved the local WIB and chief elected officials from the beginning of the development of these policies. Boards, board staff and elected officials were invited to participate in the development, review and change to policies. In the case of policy which was developed prior to the appointment of locals boards, the state, immediately upon such appointment, sent the policy to the boards for their review and comment. Such comments were considered before the policy was finalized.

**iii. Are there any state policies or requirements that would act as an obstacle to developing a successful statewide workforce investment system?**

Some of the identified barriers to a successful statewide workforce investment system in Kentucky include the following:

Based upon many of the lessons learned from the federal one-stop initiative, facilities management is one of the most significant barriers. Lengthy, bureaucratic, confusing and state-controlled, facilities management protocol has a direct effect upon the selection of potential sites for one-stop centers. Additional obstacles include prescriptive requirements for office design, which do not allow for local input, and the length of time to complete the required bid process.

Recent state legislative changes now require certain agreements to be reviewed by the Legislative Research Commission. This adds to a process, which already contains extensive signatory and oversight requirements.

Technology barriers are numerous and complex. They range from the inability to communicate among existing state mainframe systems to the incompatibility of software, with the level of knowledge and capacity of users and managers the most serious constraint. While Kentucky is working towards a comprehensive information technology strategy and the Governor has recently appointed a Chief Information Officer, confusion and disjointed processes remain. The length of time it takes to get a technology project from inception to delivery is frustrating to agencies and customers alike. Lack of system support and user training, compound the difficulty of creating an integrated technology system.

Incompatible personnel management systems exist. With the envisioned blending of different agency staffs in one-stop centers, the need for functional and formal management processes will arise. The ability of operators, who may not be state employees, to oversee partner staff who are state employees is critical. **Suggestion to delete previous sentence. All interactions between agencies must be addressed for the one-stop concept to succeed, not just non-state operators supervising state employees.** In addition, operators who are in different departments will face similar concerns. Further, timesheet coding contradicts the universal service provision. There are inconsistencies in state government department approaches to flex and compensatory time. In addition, traditional state government operating hours are inflexible and often do not reflect the customer's needs.

The need to share customer information across program boundaries is also an important component to the new one-stop delivery system. While much progress has been made in designing inter-agency agreements, barriers continue to exist with regard to data sharing and data matching. In addition, efforts need to be focused on resolving information-sharing issues associated with non-state agencies and private, for-profit entities.

Eligibility issues and programmatic restrictions will have a significant impact upon the delivery and funding of universal services. For instance, certain programs can only provide services to a narrow constituency (e.g. veterans).

Local level state employees are not permitted to make decisions within existing department policies. This could have a delaying or debilitating effect on local design and planning accomplishments.

**We are not certain what agencies are referenced or exactly what is meant by "Local level state employees are not permitted to make decisions within existing department policies." (emphasis added) Should "within" have been "outside?" Even with this change, the sentence would not always be true. CFC, for example, is in the process of delegating significant decision making authority to local staff.**

## 2. Services

### a. Describe the current status of One-Stop implementation in the state, including:

#### i. Actions taken to develop a one-stop integrated service delivery system statewide

Kentucky's initial application for one-stop centers that focused solely on technology to provide connectivity resulted in a one-year planning grant. The 1995 implementation grant, one of 16 nationally, represented an opportunity to award seed monies to local communities to move the state toward a comprehensive one-stop delivery system. Many aspects of the approach Kentucky took to its one-stop initiative mirrors the Workforce Investment Act. Local design and flexibility; new local councils comprised of 51% business, industry, and labor; local community planning; the concept of a one-stop operator; and redesigned boundary areas that brought new partners to the table were all components of Kentucky's plan.

The design of the One-Stop Career Center system is built upon four major themes: customer driven, quality, local flexibility, and systemic change. Focus groups of business and industry, education and training providers, and human resource and public agencies

allowed the pursuit of a *customer-driven* system. Each session began with a brief history of prior efforts, but participants' vision of a one-stop system helped shape the design and advance the state's implementation efforts. Directly related to customer-driven, *quality* is the need to exceed customer expectations at each center and throughout the system. Among the criteria to assure quality was the successful chartering of local centers by a board in the Louisville area using the Malcolm Baldrige standards of excellence. Maximum *local flexibility* for stakeholders to develop their design and implementation strategies within the context of their communities was essential in a state with widely varying regional characteristics and needs which range from urban areas such as Louisville and Lexington to extremely rural counties. *Systemic change* means developing a network of centers in order to construct a successful workforce development system. A more highly skilled workforce, a commitment to lifelong learning, and the ability of workers and employers to more readily obtain information and marshal the resources required to make employment-related choices are essential to a prosperous economic future.

The four guiding principles of *universality, customer choice, integration and performance measurements* are woven throughout the tangible products and service-delivery design of the One-Stop Career Center system. *Universality* recognizes the importance of serving both individuals and employers. It also suggests availability through convenient physical locations, 24-hour access to information, and the active participation of agencies and organizations which assist frequently under-served groups such as persons who need adult basic education and literacy training or those with disabilities. *Universality* also means making facilities user-friendly for all groups by ensuring the availability of technology, equipment, and trained staff. Electing to deliver services based on the local labor market area (LLMA) model brings services into a comprehensive, full-service center based in the local region. *Customer choice* becomes a reality when options are available to make informed career decisions through the use of common intake procedures, shared information among one-stop center partners, and easy access to labor market information. *Integration* is the most important change aspect of the one-stop system. Successful integration requires co-location and connectivity of service providers, but it also needs careful, continued scrutiny to streamline services and avoid duplication. This is achieved, in part, by mandating other 'access' points via computer linkages to other partners and community agencies, through the transfer of the DES to CWD, and by implementing value-added features such as 'unlimited doors,' common intake, and mobile outreach. A *performance-driven* system consists of nine specific outcomes: customer satisfaction, customer utilization, labor market penetration, agency participation, return on investment, local involvement, and economic development impact. Local areas were provided suggested guidelines to capture outcome information and were encouraged to add measures of their choice.

The vision of one-stop centers has been implemented and extended through a variety of activities. At the state level, the federally mandated partnership was expanded to include agencies providing vocational rehabilitation services, adult education and literacy programs, and Carl Perkins-funded activities. The Workforce Partnership Council, the state board for One-Stop and School-to-Work, established the core programs and services to be offered by the one-stop system, but local areas had the flexibility to decide the number and location of the centers. The four guiding principles

have progressed from mere concepts to the implementation of operational and business policies.

*Universality* is increased through co-location of the Departments for the Blind and Vocational Rehabilitation; by providing a standards list for accessible technology and fully accessible computers for all comprehensive centers; by making information available in multiple formats for all users in many community locations, and by extending hours of operation to the evening and weekend.

*Customer choice* is realized through creative community access points, full county or labor market area coverage, and emerging technologies combined with full-service centers provide options to access services.

*Integration* remains the single greatest barrier to implement the vision. Barriers such as lack of federal guidance on information sharing, cost allocation and confidentiality make it difficult for agencies to coordinate their efforts despite training programs, capacity-building activities, and other state efforts directed towards removing them.

Formal *performance measurements* have been approved and work is currently underway to design the data collection process. A common intake and self-registration system has been developed and is in place in at least two local labor market areas. Technological capacity is being increased through state support of local and wide area computer networks, thus freeing local dollars for additional hardware purchases. A state resource directory of services with a geographic information systems component is a joint venture that maximizes fiscal resources and consequently, will make the directory available to local centers a year earlier than would have been possible otherwise.

Once the Once-Stop Career Center system is implemented and connectivity is completed in late 1999, there will be more than 40 comprehensive centers and 200 community access points statewide. There is also active involvement by entities beyond those formally required such as social insurance, family resource centers, youth service centers, Job Corps, Urban League, libraries, community and technical colleges, county courthouses, and community centers. The successful placement of resources throughout local communities, some where services have previously been unavailable, allow these 'gateways' to link customers with the full resources of the one-stop system.

**ii. The degree of existing collaboration for WIA Title I, Wagner-Peyser Act, and other required and optional partners.**

Local flexibility permits differing levels of collaboration from one community to the next. Unique partnerships, contrasting levels of involvement, and variable labor market or community resources affect the type of collaboration at the local level. To preserve local flexibility, only broad guidance is provided from the state level on the selection of minimum partner representation. In existing local one-stop systems, there is a basic level of core partner collaboration that often mirrors the level of service availability in the actual center. In some geographical areas, DES personnel are strong local leaders who provide all Wagner-Peyser, unemployment insurance, migrant and seasonal, native Americans, and veterans' services on a full-time basis in comprehensive centers and satellite sites throughout the state.

Beyond the consistent presence of these agencies (vocational rehabilitation, blind, and employment services), the level and degree of collaboration varies greatly. In many areas, current providers of services to adult, youth, and dislocated workers are committed partners; in other areas, they are only nominally involved in the existing structure. Even though adult education providers will be required partners, the current level of collaboration varies with the most notable participation in the form of full-service learning labs and integral involvement in the local planning process.

Postsecondary education institutions have been involved to a lesser extent across the state, but two community colleges have played key leadership roles in the evolution of the local one-stop vision and implementation. Organizations implementing the Older Americans Act, despite their service to large geographical areas, are active participants in their local council and planning activities as well as assisting with the staffing of one-stop centers.

**iii. The types of services (core, intensive, and training) available in the one-stop centers.**

Kentucky's design of its one-stop centers encouraged a three-tier level of service availability. For the full-service comprehensive centers, program information and eligibility determination for the six federally mandated core services as well as the three additional core partners (vocational rehabilitation, Carl Perkins-funded activities, and adult education) are required. The next level of service delivery is a satellite site, where all services are not available, but some core partners and personalized assistance is present. Finally, the concept of an information site evolved in order to extend information points and provide statewide access. These range from stand-alone personal computers to brochures and literature found at resource locations. The following basic services are available in one-stop centers:

- labor market information and career options,
- education and training program information,
- program eligibility and financial aid options,
- basic assessment of customer skills and interests,
- career development planning,
- case management services,
- identification of job openings/labor exchange,
- job search assistance,
- unemployment insurance enrollment,
- customized services to selected groups such as veterans, persons with disabilities, and older workers,
- connection to worker profiling,
- connection to school-to-work transitions, and
- referral to apprenticeship programs.

Services to employers include information about the labor market, education and training providers, and government-funded training incentives; recruitment assistance; and rapid response to down-sizing.

A significant investment in technology infrastructure, connectivity and training has enabled some one-stop centers to be networked locally and linked to the state. Progress has been made within local labor market areas to provide web sites, e-mail, and Internet access. Developments at the state level including initiatives such as EMPOWER Kentucky fosters the electronic applications needed to fully link all partner sites in order to share necessary customer information. This results in access to services by customers regardless of where they enter the system.

**b. Describe how Wagner-Peyser Act funds are used to support the one-stop system:**

**i. How are public labor exchange services delivered through the one-stop delivery system?**

Wagner-Peyser funds for the operation of employment service programs in Kentucky are directed through DES. These funds are used to provide free access to various labor market programs to the citizens of the Commonwealth. DES operates 28 full-service field offices throughout the state, offering both labor exchange and employability development as standard services to job seekers. DES also administers the Unemployment Insurance (UI) program.

Current mandates for DES are service to veterans and UI claimants. In addition, DES will ensure equity of access for all customers including individuals with disabilities, older workers, minorities, economically disadvantaged persons, youth, welfare recipients, dislocated workers and other groups with special needs.

Through the One-Stop Career Center system operating in each area, DES provides the following standard services to:

*Job seekers* - intake, referral and placement, job development, job information service, electronic labor exchange, assistive technology, employment counseling, vocational assessment, employability development, referral to supportive services and training, and job search workshops. Presently, DES provides these services in all existing One-Stop Career Centers throughout the state and through its network of local offices and out-stationed personnel. These services are also delivered on site to assist job seekers at the physical location of businesses requesting this service. Job seekers are also served through America's Job Bank, a service of the U.S. Employment Service. Applicants may access DES job order information through the internet as well as post their resume for employers to view.

*Services to employers* – job order taking, selection and referral, recruitment, labor market information, and affirmative action. Employers who request DES services on-site are provided with staff assistance to take applications and screen for qualifications. Employers are also provided with information on America's Job Bank in order to view applicant resumes as well as the ability to compare their job information with others to ensure that their positions are competitive.

*Services to Unemployment Insurance Claimants* – UI work test, worker profiling and reemployment services system. Through the one-stop system and its network of local offices, DES provides the basic services to claimants listed above. Off site, DES provides mass claim taking at the workplace if requested by the employer. In addition, DES offers the option of claimants using a voice response unit to claim



weeks of unemployment, report wages, and notify the department of their return to work.

*Special Programs* – unemployment tax credit program, trade adjustment assistance, North America free trade assistance program, work opportunity tax credit, welfare-to-work tax credit programs, and agricultural services.

**ii. How are services to veterans accessed through the one-stop system?**

DES is committed to providing employment and training services to veterans in accordance with Title 38, chapters 41 and 42, U. S. Code and pursuant to regulations with priority to be given to disabled veterans and veterans of the Vietnam era. Levels of service are targeted to meet or exceed the performance standards established by the Assistant Secretary for Veterans' Employment and Training (ASVET). Currently, these consist of 14 performance standards in five basic categories: placement/obtained employment, placement in jobs listed by federal contractors, counseling, placement in training and provided some service.

Local Veterans' Employment Representatives (LVERs) will continue to be assigned in full-functioning local DES offices according to the criteria and provisions of Veterans' Regulations (20 CFR, Chapter IX, Subpart C, Paragraph 1001.123).

DES will continue to provide support services for veterans as required under the Disabled Veterans' Outreach Program (DVOP) as prescribed in Veterans, Regulations (20 CFR, Chapter IX, Subpart E, Paragraphs 1001.140, 1001.141 and 1001.142).

Services to veterans will be monitored on a continuing basis and DES central office staff will provide on-going technical assistance to field office staff. DES staff will continue to work closely with the State Director of Veterans' Employment and Training Services to quickly identify and correct problems that may arise.

Any one-stop center housing Wagner-Peyser staff will provide veterans with priority employment and training services in accordance with federal law, U. S. Code Title 38, Chapters 41 and 42, and 20 CFR 1001.120(a)(b). DVOP/LVER positions shall be state employees and shall not supplant Wagner-Peyser staff in providing priority employment and training services. The full array of core services will be made available to veterans in the following order of priority: veterans with disabilities, Vietnam-era veterans, veterans, and other eligibles.

**3. System Infrastructure**

**a. Local Workforce Investment Areas**

**i. Identify the state's designated local workforce investment areas, including those that were automatically designated and those receiving temporary designation.**

The Workforce Investment Act of 1998 is the first wholesale reform of the nation's job training system in over 15 years. Its enactment provides unprecedented opportunity for major reforms that will result in a reinvigorated, integrated workforce investment system. To ensure a seamless and universal system that is performance-based and customer-focused, the Governor, in conjunction with the Kentucky Workforce Investment Board (KWIB), has designated 11 local workforce investment areas that

define zones for service delivery, rather than boundaries that confine available services. The areas were configured in 1982 as service delivery areas to oversee Job Training Partnership activity in Kentucky. The boundaries were drawn based on common geographic and economic factors. While full designation is being conferred to all 11 areas, eight of the local workforce investment areas meet the criteria for temporary designation in accordance with Sec.116(a)(3)(A), two local workforce investment areas with a population of less than 200,000 successfully completed the consultation and consideration requirements of Sec.116(a)(1)(ii) and thus were eligible for designation, and one local workforce investment area, being a rural concentrated employment program, qualified for automatic designation as specified in Sec.116(a)(2)(B) of the Act.

Uncertainty and vulnerability come with systemic change. Therefore, minimizing the disruption of the current system's geographic service areas enables local workforce investment areas to focus attention on the real opportunities for change such as policy development, desired outcomes and service delivery. Prior to and through the state plan development process, numerous local officials, including county judge-executives, mayors, etc., requested that the current service delivery areas remain intact. This perspective is substantial since local involvement and ownership is the foundation upon which the Act is built. It further underscores the strong local desire for an enhanced role in collaboration and implementation.

**ii. Describe the state board's role, including all recommendations made on local designation requests.**

The KWIB, pursuant to Sec116(a)(4), reviewed requests for designation as workforce investment areas from the 11 current service delivery areas. The board then acknowledged the automatic designation as a workforce investment area of one rural concentrated employment program. After discussions with appropriate local elected officials and completion of the public comment process, the state board recommended to the Governor the remaining 10 service delivery areas be also designated as workforce investment areas.

**iii. Describe the appeals process used by the state to hear appeals of local area designation.**

A unit of general local government or grant recipient that requests, but is not granted designation as a local area under paragraph (2) or (3) of Section 116(a), may appeal to the KWIB .

The board may prescribe forms and applicable time frames. Appeals shall be conducted pursuant to the administrative hearing requirements in Chapter 13B of the Kentucky Revised Statutes.

A unit of general local government or grant recipient that is dissatisfied with the decision of the KWIB may request a review by the U.S. DOL Secretary pursuant to Section 116, paragraph (a) of the Act.

**b. Selection of Service Providers for Individual Training Accounts.**

**i. Identify policies and procedures established for determining the initial eligibility of local level training providers, how performance information will be used to**

**determine continued eligibility (including a grievance procedure for providers denied eligibility), and the agency responsible for carrying out these activities.**

The procedure for selecting eligible providers is initiated through an application to the local WIB (LWIB). All applications must include general provisions and assurances. The board must take action to approve or deny each application. All applicants will be notified of the board's action. When the LWIB denies an application, the notification to the applicant must include the reasons for denial.

The law affords an appeal only to those entities eligible for automatic designation or temporary and subsequent designation who are alleging a violation of their procedural rights.

The following categories of providers are initially eligible upon submission of an application to the LWIB:

- Institutions that receive Title IV funds (federal student financial aid) and provide a program that leads to a postsecondary diploma, associate degree, baccalaureate degree, or certificate; and
- Institutions carrying out registered apprenticeship programs.  
Institutions and organizations carrying out registered apprenticeship programs should include a reference to KRS Chapter 343 to assure proper definition.

Other providers are identified as: 1) a provider that provides training through a program covered by the Act at the date of application for eligibility, or 2) a provider that does not provide training through a program covered by the Act at the date of application for eligibility. The following criteria apply to potential providers seeking initial eligibility provider status.

**All applications must include the following information:**

- demonstrated ability to provide training;
- faculty or instructional staff qualifications;
- course or service or curriculum description;
- credential awarded;
- tuition and fee requirements;
- licensure by appropriate state agency, if applicable;
- accreditation by recognized agencies, if appropriate; and
- assurances and certifications required by federal law or the state.

References to licensure and accreditation are too broad, be more specific as to applicability of this requirement.

**Applications will be evaluated according to the following criteria:**

- match between skills needed by employers and the education or training provided by the applicant;
- ability to provide educational and training programs needed in local labor market area.;
- proven ability to provide the specified training, for example a community-based organization (CBO) or other agency;
- licensure pass rate, if appropriate;

- licensure by the appropriate state agency to operate, if applicable;
- accreditation by recognized agencies, if appropriate;
- strong ties to economically disadvantaged community.

A provider that has previously participated in the workforce education and training system must provide performance and cost information as required by the program for which training was provided.

Clarify specifically what is referenced by “previously participating in the workforce education and training system in the preceding paragraph.

### **Criteria for continuing eligibility for training providers**

When considering the continuing eligibility status of training providers, local boards must include consideration of specific economic, geographic, and demographic factors as well as characteristics of the populations served in the area.

Define demographics as used in the previous paragraph. Does demographics refer to the provider or the participants? [Note: The language in the paragraph needs to more accurately reflect the text of the Act.]

Satisfactory performance means meeting the locally negotiated performance levels.

### **Information to be submitted by training provider in order to continue eligibility:**

- The provider shall submit performance and cost information to be subsequently eligible to receive funds and remain an eligible provider. Program information includes program completion for individuals participating in the applicable program conducted by the provider; the percentage of all individuals participating in the applicable program who obtain unsubsidized employment; and the wages at placement in unsubsidized employment of all individuals participating in the applicable program.

Add the following: require providers to submit information on whether health care coverage for the employee and the employee’s family was provided.

Suggestion: Only count placement in unsubsidized employment in the training field.

- The provider shall submit training services information for all participants who received assistance under training and employment activities to participate in the applicable program, including: the percentage of participants who have completed the applicable program and who are placed in unsubsidized employment; the retention rates in unsubsidized employment of participants who have completed the applicable program, six months after the first day of employment; the wages received by participants six months after the first day of the employment; and where appropriate, the rates of licensure or certification, attainment of academic degrees or equivalents, or attainment of other measures of skills, of the graduates of the applicable program; and information on program costs (such as tuition and fees) for participants in the applicable program.

### **Procedures related to continued eligibility of training providers**

A provider must submit an application to the local WIB. The LWIB must take action to continue or terminate eligibility of applicant provider. The LWIB must provide notification of its decision. If eligibility of the training provider is

terminated, the LWIB must include the reasons for denial in a denial notice forwarded by certified mail, return receipt requested.

### **Grievance Procedures**

Local WIBs or the designated state agency may develop informal resolution procedures for disputes concerning eligible provider status.

Any provider of training services dissatisfied with the denial or termination of eligibility or other action by a local board or the designated state agency, or denial of eligibility by a one-stop operator may appeal to the KWIB. The KWIB may prescribe forms and applicable timeframes. The appeal shall be conducted within 45 60 days. Appeals shall be conducted pursuant to the administrative hearing requirements in KRS Chapter 13B.

The basis for allowing an appeal is too broad. The basis for the appeal should be limited to a substantive violation of procedural rights or an allegation of unlawful conduct by the state agency, local board, or one-stop operator.

- ii. Describe how the state solicited recommendations from local board and training service providers and interested members of the public, including representatives of business and labor organizations in the development of these policies and procedures.**

Recommendations from LWIBs and training service providers were solicited through direct participation in the development of the state plan and through a series of public hearings.

- iii. How will the state maintain the provider list?**

The statewide provider list will be maintained in a centralized database by the state agency designated as the administrator of the plan. The provider list will be readily accessible to all customers of the workforce investment system through the workforce development web page and through one-stop centers.

The workforce development web page should also include links to registered apprenticeship programs and other service providers, etc. Focus should be on providing the services without regard to location and expanding available information.

- iv. What performance information will be available at every one-stop center?**

Every one-stop center will contain the statewide education and training provider list, including data related to the core indicators of performance. This information will may be available via the Internet and the Kentucky Resource Directory. In addition to the requisite performance information, the state will encourage providers to include other essential information that will assist customers in making informed decisions (e.g. enrollment numbers, minority participation, etc.).

- v. Describe the state's current capacity to provide customers access to the statewide list of eligible training providers and their performance information.**

The state currently does not maintain a statewide list of eligible training providers and their performance information.

- vi. Describe the process for removing providers from the list.**

- Failure to meet the annual performance measures will be justification to remove a service provider from the list. If removed from the list, a service provider must wait one year from the date of ineligibility to reapply. The service provider will be notified by termination letter and may appeal through the grievance procedure. The service provider will continue to be eligible during the appeal process.  
The grievance procedure should allow an exception [to the continued eligibility provision] for cases involving the safety, health, or welfare, e.g. abuse, sexual harassment, or other circumstances which place the local board at risk.
  - The provider will be removed from the eligible provider list when the provider intentionally supplies inaccurate performance information. The KWIB shall remove the provider from eligibility for a period of not less than two years. Local WIBs may remove an eligible provider from the list for a period longer than two years in accordance with procedures adopted by the KWIB.  
The state administrative agency will be responsible for removing ineligible providers from the provider list.
  - The local certifying entity shall be responsible for notifying customers regarding the ineligible status of the provider.
- c. **What is state's current capacity to deliver high quality employment statistics information to customers – both job seekers and employers – of the one-stop system?**
- Kentucky, through the Employment Statistics System, delivers employment statistics to customers such as employers and job seekers using both publications and the Internet. Publications that assist these users include the *Kentucky Occupational Outlook to 2005*, *Career Outlook and Job Opportunities*, *Kentucky Annual Labor Market Planning Information*, and *Kentucky Occupational Wage Data*. [NEED TO ADD KOICC DATA/PUBLICATIONS TO THE LIST]
- d. **Describe how the work test and feedback requirements (under the Wagner-Peyser Act) for all UI claimants are met? How is information provided to UI agency regarding claimant registration, claimant job referrals, and the results of referrals?**
- DES stresses the importance of placing individuals receiving UI benefits. All claimants who are permanently unemployed from their previous job or who are otherwise required by law to register for employment with the public employment service are offered the full array of services available to them. Utilizing cross-training, staff can combine intake of claimants and provide employment-related services.
- e. **Describe how the Wagner-Peyser Act staff participate in the conduct of the Eligibility Review Program reviews. Describe the follow-up that occurs to ensure that UI eligibility issues are resolved.**
- The profiling program is intended to identify those UI recipients in a field office's administrative area who are most likely to exhaust their claims, and who would benefit from re-employment services in order to obtain employment.
- If selected from the pool of UI claimants to participate in the profiling program, individuals report to an orientation session during which the program and their

responsibility to participate are explained. Those not exempt from further participation then proceed to an in-depth assessment interview.

### C. Assessment of Strengths and Improvement Opportunities

**1. In sum, how closely aligned is current system to vision? Assess your current systems ability to meet the customer and economic needs identified above. What are your key strengths? What weaknesses will you need to address to move forward? Describe any opportunities or challenges to achieving your vision, including any economic development, legislative, or reorganization initiatives anticipated that could impact on the performance and effectiveness of your state's workforce investment system?**

As stated earlier, Kentucky will create a unified workforce investment framework incorporating the principles underlying the Commonwealth's 1997 Postsecondary Education Reform. The new workforce system will be *universal, seamless, customer-focused and performance-based* and will respond to the needs of all Kentuckians. By addressing the Commonwealth's changing demographics and its educational/training, technological, and economic needs, the ultimate measure of success of the reformed workforce investment system will be a higher standard of living for all Kentuckians. In assessing the current system's ability to meet the vision, the following strengths have been identified.

Changes in the organizational structure of state government and in public education from pre-school through postsecondary education during the past 10 years position the Commonwealth to embark on new initiatives to improve the skills of the workforce. Creation of the Cabinet for Workforce Development in 1990 brought adult education, secondary vocational training, and employment programs, and programs serving persons with disabilities into one executive branch cabinet of state government.

Kentucky has also initiated a series of education reform efforts beginning with the *Kentucky Education Reform Act*, enacted in 1990. This act requires accountability by the public schools measured, in part, by the successful transition of secondary students to postsecondary education, employment, or the military. The *Kentucky Postsecondary Education Improvement Act of 1997* creates a vision of a seamless, integrated system of postsecondary education accessed through multiple traditional and non-traditional delivery systems. The act also established the Kentucky Community and Technical College System (KCTCS) by organizing postsecondary technical schools and community colleges under one governing board. This action places in one organization primary responsibility for providing education and training programs of two years or less and preparation of the workforce to meet the needs of new and existing industries in one organization.

The *Task Force on Adult Education* was created in 1998 to conduct a thorough examination of Kentucky's adult education system. Chaired by the Governor, its purpose is to develop recommendations and an implementation plan for raising the literacy level and educational attainment of Kentucky's adults who have not graduated from high school or who have poor literacy skills. The *Taskforce for Pre-School Education* originated from a recognition of the relationship between the development in a child's early years, the requisite critical efforts of early involvement/intervention, and his/her ultimate educational success.



Other systemic initiatives have created an environment of change in the Commonwealth. Technological advances that enable communication, access to information and services, and delivery of instruction are valuable resources to overcome longstanding limitations brought about by geographical and cultural barriers. Efforts to improve communication increase with EMPOWER Kentucky as the mechanism to provide access to state data bases for partners internal and external to state government. Kentucky Educational Television serves as the public's statewide access to information and instruction. Instruction through distance education technology is provided by the Kentucky Telelinking Network (KTLN) and Commonwealth Virtual University (CVU). KTLN provides the infrastructure for the delivery of interactive television classrooms and video-conferencing capability. This fiber-optic network links all universities, community colleges, public schools, and libraries in the state. The CVU, created as part of the *Kentucky Postsecondary Education Improvement Act of 1997*, is a critical element in creating a postsecondary education system that is accessible, efficient, and responsive to the needs of Kentucky's citizens and economic stake holders. It will be a student-centered, technology-based system for coordinating the delivery of postsecondary education that meets the needs of citizens and employers across the Commonwealth. The CVU will upgrade workforce skills and target the needs of employers and employees in business, industry, and government.

Unified planning among the service providers of CWD indicates that partners in the workforce investment system have already taken steps toward the goals envisioned by the Act. As an example, when fully implemented, the Simplified Access initiative will allow customers a single point of access to training and employment services. An interagency agreement among the Cabinets for Families and Children, Health Services, and Workforce Development to share information allows customers to sign a revocable release that permits relevant record sharing and use in order to access potential service, determine program eligibility, and permit subsequent service plan development by service providers and case managers. Other features of Simplified Access are common intake for customers, information sharing among programs, client tracking, and a shared resource directory.

Designation of Kentucky as one of the first 16 states to be awarded a one-stop implementation grant prepared the state for the concepts that support the Workforce Investment Act. Implementation of one-stop established a statewide technology infrastructure and in each local area, fostered a local planning process among one-stop partners and their communities, introduced the concept of universal customer as embodied in assistive technology and disability awareness training, and established resource centers in each one-stop center. Local partner efforts began the move towards streamlining service delivery and reducing the duplication through comprehensive centers and cross-training. The upgrade of staff capabilities and the concept of multiple, creative access points to services will also serve as a strong platform upon which WIA can build.

The Economic Development Partnership Act of 1992 enacted changes to Kentucky's approach to economic development. These policies are now developed and approved by a partnership chaired by the Governor and comprised of representatives from business, industry, economic development organizations, labor, natural resources, and tourism. The Secretary of the Cabinet

for Economic Development now serves at the pleasure of this partnership, allowing programs and initiatives to transcend politics.

The Cabinet for Economic Development's Network initiative helps companies form alliances with other companies in order to become more competitive. The Kentucky Economic Expansion Program, a partnership between South Central Bell, the Kentucky Cabinet for Economic Development and the University of Kentucky works with communities to ensure retention of their existing industries.

Since 1984 the Bluegrass State Skills Corporation (BSSC) assists individual companies and groups of companies through training consortia to facilitate customized industry specific training programs for Kentucky's existing, expanding, and new business and industries. To date the BSSC has funded 21 training consortia throughout Kentucky resulting in thousands of Kentuckians being trained in a more cost efficient manner. In 1998, Kentucky's General Assembly authorized the BSSC to implement the Skills Training Investment Credit Act which allows existing industries to recoup up to 50 percent of their training expenses through tax credits.

Although significant progress has been made in addressing some issues, challenges remain. Workforce preparation is made more difficult by poverty, low workforce participation, and low educational achievement. That poverty is a major policy issue in Kentucky cannot be disputed. Historically, Kentucky's poverty rate has been substantially above that of the nation. The poverty rate in 97 out of Kentucky's 120 counties is higher than the U.S. average. A more troubling fact is that 25 percent of all Kentucky children and 28 percent of children under five are living in poverty according to the most recent census. Research indicates that children raised in poverty are at-risk for a variety of long-term developmental problems and are more likely to raise their own children in poverty.

Like many states, Kentucky must contend with a geography as diverse as its economies. Ranging from the realities of rural communities to the unique challenges of urban cities, this dichotomy requires that any solution have a flexible application. For instance, the highest poverty rates are concentrated in the eastern portion of the state, where barriers such as mountains, lack of infrastructure, and recent economic upheavals are significant factors. However, while most people associate poverty in the Commonwealth with Eastern Kentucky, the greatest numbers of individuals living in poverty are in the urban areas of northern and central Kentucky.

Participation in the workforce is often interpreted in terms of published unemployment rates. While Kentucky currently enjoys low unemployment rates in the majority of its counties, the stark reality is that fewer than 57 percent of Kentucky's total working age population actively participates in the workforce as compared to the national average of 67 percent. This is even more disturbing when viewed in the context of the December 1994 study by the Kentucky Legislative Research Commission that found the work behavior of individuals as the most significant factor in determining if a family lives in poverty.

In an economy that increasingly demands high levels of information and the ability to manipulate that information, those who are better educated and more literate will fare better than those who are less so. Unfortunately, Kentucky's working age population remains undereducated according to a number of measures. Kentucky ranks nearly last in the nation

with adults who have less than a high school diploma. Thirty-six percent of the adult population has less than a high school credential – either a high school diploma or GED certificate. Perhaps of greater significance, according to the 1997 Kentucky Adult Literacy Survey, 40 percent of the state’s adult population has modest, minimal or no functional literacy skills, and therefore lacks the ability to fully participate in an increasingly technological workforce. In terms of higher education indicators, Kentucky trails the nation in many respects. For example, 51 percent of the state’s high school graduates enter a postsecondary institution compared to the national average of 65 percent. Additionally, 13 percent of Kentucky’s population has a bachelors degree as compared to 20 percent of the nation. Kentucky is near the bottom in completion rates of those who enter postsecondary institutions. **(NEED TO ADD CHART HERE FROM P. 19 OF POSTSECONDARY EDUCATION IN KY: AN ASSESSMENT)**

Research indicates that the principal difference between economic opportunity and standard of living is the level of educational attainment. Without increased educational achievement, Kentucky citizens will miss the opportunity to improve their economic well-being. Low educational attainment accounts for 57 percent of the difference in per capita income between Kentucky and all other states. **(Figure 3-4 on pages 10-11 from KY Post Secondary Task Force Report)**

In addition to these long-standing systemic weaknesses, other issues inhibit the Commonwealth’s ability to fulfill its vision.

- *Services to Customers.* Both state and federal guidelines dealing with confidentiality of information make coordination difficult. Multiple agreements are required for staff to access information needed for assessment, case management and job placement. Funding streams and eligibility issues create unnecessary boundaries and inhibit staff efforts to provide universal and seamless service.

Fitting individuals with disabilities into Kentucky’s economic/workforce development matrix is a must. Government has traditionally provided a subsidy for people with disabilities without integrating them into the workforce system. This overlooked or “hidden workforce,” while presenting significant challenges, represents a valuable and virtually untapped human capital resource.

- *Economic and Community Development.* Though the geographic location of Kentucky in relation to the other states is an asset, the geographic diversity presents an economic development challenge. While the urban areas of Louisville, Lexington, and Northern Kentucky continue to flourish, some sections of eastern and western Kentucky have had more difficulty competing for business and industry prospects because of the lack of highly skilled workers, large industrial sites or state-of-the-art infrastructure. Historically, Kentucky has relied on low technology industries, such as, farming and mining. With the decline of those two industries, Kentucky must now shift to high technology and emerging industries as other states did years ago.

Despite community partnership programs to assess problems and provide the technical assistance resources to solve them, community development is not expanding consistent with economic development. Services and infrastructure such as housing, transportation and child care have not kept pace with economic development activities.

- *Private Sector Perspective.*

Frequently, businesses invest their education and training funds in their managerial level personnel. The Kentucky Long-Term Policy Research Center reports that “employers make minimal commitments to front-line workers and to the development of basic skills.”

Government programs have significant resources to invest in training programs and private sector funds also represent a significant training resource. A coordinated effort would leverage funds from both sources to create more training opportunities.

*Technology.* Computer technology infrastructure is not sufficiently complete to provide universal access. One-stop centers are not linked to all one-stop partners. Continuing funding for technology is needed to assure that access to hardware, software, and training occurs. When funding for technology has been authorized in the state’s biennial budget, the actual purchase is complicated by the array of technology available. The lack of support services for that technology further complicates purchases. In addition, the rapid advancement of technology complicates choices for government administrators and creates a reluctance to make technology-related decisions.

- *Demographics.* Kentucky is a rural state with an aging population and a slower growth rate expectation than the nation as a whole. Out -migration will need to be slowed or reversed if the available workforce is to meet business and industry needs.

In order to realize the critical goal of developing the full potential of the workforce, Kentucky must fashion a comprehensive strategy for workforce development, one that addresses the unique needs of the Commonwealth. Ultimately, the capacity of a state’s workforce and the quality of the human capital it brings to the arena of world trade will become the principal determinant of profitability and prosperity.

## **2. What are your state’s priorities in moving your current system toward your vision?**

Kentucky has identified six priorities to begin the process of moving the current system toward the vision of its workforce investment system. This list is presented in no particular order and could be expanded to reflect emerging issues and trends. The first is to serve the greatest number of people in the most effective manner. Currently, only a very small proportion of the eligible population is served. Strategies for increasing the number of people served by the workforce investment system include:

- marketing services to target populations and prospective customers;
- maximize the potential for those who have not achieved their desired levels of workforce training/education or wages;
- ensuring access to workforce training services for all citizens;
- raising awareness of the need for workforce training;
- providing additional resources to achieve strategies;
- utilizing existing resources more efficiently;
- establishing more access points for services; and
- involving employers in discussing the optimum workforce training system.

Technology is a critical component to reach the goal of serving more of the population. This can be achieved through increased:

- connection among services;

- collection of data to measure performance;
- provision of equal opportunities for workforce training services for both rural and urban dwellers as well as persons with disabilities;
- training for providers of services;
- assistance in using the self-service component of the one-stop center;
- access to services designed so persons at all levels of computer literacy can locate information;
- sharing of customer data among one-stop providers; and
- development of an accountability system that maximizes existing data collection resources.

Increasing participation in the labor force is the second priority. At the present time, only 57 percent of Kentucky's population participates in the workforce. This requires that the following issues be addressed: improve childcare options, improve access to transportation, and increase higher wage job opportunities. Additional strategies to raise Kentucky's workforce participation rate include:

- raising the awareness of the benefits of wage earning;
- communicating that employers expect employees to have appropriate skill levels and will pay higher wages to employees with those skill levels;
- promoting the "Education Pays" campaign;
- improving the alignment of job creation efforts and educational achievement;
- expanding entrepreneurial training and opportunities which, in turn, will help create jobs;
- developing incentives to cultivate a stronger work ethic; and
- encouraging, supporting, and participating in community leadership programs and activities.

Priority three is to develop and expand the concept of customer choice. Recognizing that services need to be available beyond the traditional nine-to-five work day and available in a variety of formats which are user friendly to persons with diverse skill levels, the workforce investment system should provide the following access options: both personal and automated services, multiple access points, and eligible providers that may be located outside of the local workforce investment area. In order to provide customers with the information to make informed decisions when choosing workforce training, standardized consumer information and common definitions and data elements must be functional.

The fourth priority will be to address bureaucratic processes that impede progress toward the vision and goal of workforce investment system. The multi-agency coordination necessary for a seamless workforce training delivery system will require that existing barriers be overcome. The cumbersome and prohibitive processes identified below will need to be corrected:

- remove or change statutes concerning personnel, confidentiality, facility usage and funding stream barriers;
- involve decision and policy makers who have the authority to facilitate the needed change;

- reform labor market information collection and reporting, and integrate various sources of information;
- develop recommendations by the KWIB for governor and legislative members of the Board to carry back to government entities.

The KWIB will need strong staff to assist in this effort.

The next priority is to increase education and job skill levels in the Commonwealth. The *Postsecondary Education Improvement Act of 1997* contained many components which will, when fully implemented, dramatically improve the quality of education in the state. While others may emerge, these critical initiatives should be addressed:

- establishing the Commonwealth Virtual University;
- improving the ability of students to transfer credits among institutions;
- upgrading the status of technical schools by recognizing the value of a technical education;
- creating the expectation for establishing prominence in research and development through research trust funds at University of Kentucky and University of Louisville;
- promoting the need for additional funding for research and development which will increase economic development associated with research successes and attraction of prestigious professors;
- capitalizing on the workforce development capability of community and technical colleges;
- continuing efforts to make primary and secondary education more relevant to the world of work through linkages with the private sector; and
- integrating adult basic education and literacy with job skills training.

The final priority is to train and equip staff to serve all customers of the one-stop center. The system will be customer focused and provide assistance through highly trained staff. Training will be required in the following areas:

- technology both software and hardware;
- self-service methodologies;
- customer service, include cross training;
- how to use performance information;
- working with and serving special populations;
- team building;
- customizing services with local needs;
- new staff orientation program;
- standardized training across the state on some topics; and
- on-going training.

## IV. STRATEGIES FOR IMPROVEMENT

### A. **How will challenges to align current system with vision be overcome? How will you meet the needs of each of the major customer groups identified in Section III? How will the state implement the key principles of WIA?**

Kentucky will more effectively meet the needs of the workforce with a system that is universal, seamless, customer-focused, and performance based. Strategies to transform the current system will include outreach and marketing to customers, staff development, cross-training, partnerships with public and private entities that serve target groups and specific outcome goals for customers served and placement achievements. Success in these strategies will be measured by increasing participation, upgrading skills, and achieving customer outcomes.

Add: Participants will be encouraged to pursue their career goals through all levels of educational programs.

Preceding paragraph should more fully describe how challenges will be overcome. Collaboration among agencies should be emphasized along with their ability to serve targeted populations. Explanations below should remove specific references to organizational entities.

#### **The state will meet the employment and training needs as follows:**

- *Dislocated Workers* - The CWD exchanges information and coordinates programs with the appropriate economic development agencies at the state and local levels to develop strategies to avert plant closings or mass layoffs and to accelerate reemployment efforts for affected individuals.

The CWD will increase the awareness of available services to potential dislocated workers, employers/organized labor, state and local economic development agencies, chambers of commerce, and social services agencies.

Worker profiling enables the state to be more responsive to the reemployment needs of dislocated workers. The early identification and timely referral of dislocated workers to appropriate services greatly increases the effectiveness of the program.

- *Low-income Individuals* - All of Kentucky's service delivery areas have contracts with the Cabinet for Families and Children to administer the Welfare-to-Work grants at the local level. Local welfare reform planning has brought together a broad spectrum of both public and private agencies as well as business in each of the state's 120 counties.

In the event that funds allocated to a local area for adult employment and training activities are limited, priority shall be given to recipients of public assistance and other low-income individuals for intensive services and training services as agreed upon by the Governor and the LWIB.

Underemployed should be included in this section. They are in the workforce, but do not appropriate skill levels to be successfully employed in targeted occupations.

It seems that the information in this section belongs in the Public Assistance Recipients section. Also, material contained in the last bullet (p.42) seems to belong in the public assistance section.

- *Individuals Training for Nontraditional Employment* - The term "nontraditional employment" refers to occupations for which individuals from one gender comprise less than 25 percent of the individuals employed in the occupation. Statewide coordination approaches will be



provided to encourage the training and retention of individuals in such employment. Nontraditional training programs and related services for individuals to enter nontraditional employment will be provided as appropriate. The state list of eligible providers of training services will include those providers who offer nontraditional training services.

- *Other Individuals with Multiple Barriers to Employment* - Kentucky will enhance the employability and increase the earning potential of individuals with multiple barriers to employment. The state will utilize literacy, basic skills, occupational skills training and related activities to achieve the desired outcomes. The state will provide individuals with multiple barriers to employment a continuum of education, job training, career counseling and development services to enhance these individuals' ability to become employed and retain such employment. To enhance the employability skills of individuals with disabilities will take:
  - representation of individuals with disabilities on staff;
  - cross-hyphen training for staff;
  - disability awareness for staff;
  - outreach programs for individuals with disabilities;
  - specific staff, service goals and expectations;
  - technical assistance to employers such as ADA requirements, information about available tax credits.
- *Displaced Homemakers* - Employment and training needs of displaced homemakers will be provided through vocational technical institutions eligible under the Act. Such institutions will provide skill training, guidance and career counseling, assessment, job placement assistance and support services such as tuition and crisis counseling. Displaced homemakers will receive counseling pertaining to career opportunities in nontraditional fields.
- *Public Assistance Recipients* - The Cabinet for Families and Children is currently involved in one-stop activities. The level of CFC field staff involvement is based upon local decisions. One-stop services will be readily accessible to recipients of public assistance.

**[NEED TO RESPOND TO QUESTION REGARDING IMPLEMENTATION OF KEY PRINCIPLES]**

## **B. Required elements.**

### **1. Leadership**

#### **a. Steps the state will take to improve coordination.**

Kentucky began its comprehensive planning process to reengineer its workforce system upon enactment of federal legislation. The governor designated the Cabinet for Workforce Development as the lead agency to coordinate the state-wide planning and implementation of the Act.

A policy group was established that contained representatives from the Governor's Office; Cabinets for Workforce Development, Families and Children, Economic Development; Kentucky Labor Cabinet; Department for Local Government; Council on Postsecondary Education; and University of Kentucky Community College System. This entity oversaw the activities of several targeted workgroups, that included strategic planning, one-stop partners, financial, technology, accountability and youth services committees. These

committees were comprised of diverse membership from government, both state and local, and the private sector. The particular organizations that were involved in the planning process included Department for Employment Services, Department of Vocational Rehabilitation, Department for the Blind, Department for Adult Education and Literacy, Department for Technical Education, Office of Training and ReEmployment, Kentucky Community and Technical College System, Cabinet for Families and Children, Office of Aging Services, service delivery areas, Area Development Districts, Cabinet for Economic Development (Division of Research and Bluegrass State Skills Corporation), Kentucky's One-Stop, Kentucky Labor Cabinet, Department for Local Government, Governor's Office for Policy and Management, Kentucky Commission on Community Service and Volunteerism, Council on Postsecondary Education, Simplified Access Team.

Broad, extensive and multi-level planning will be critical to not only the initial plan, but on-going modifications. The KWIB will ensure coordination through this planning process, involving LWIBs and Chief Elected Officials. The KWIB will ensure that programs are coordinated at the state level and will serve as an advisory body to local areas on the same issues.

Communication is critical. Sharing information will enhance local achievements and ensure the state's success with the Act. Technical assistance, regularly scheduled meetings, local quarterly reporting as well as creative sources for communication such as video-conferencing and the Internet will be adapted to keep the lines open.

A specific example of how the state is striving to improve coordination is the Simplified Access initiative. The process will ensure basic information is collected once for each individual and shared by other partners.

**b. How waivers or workflex authority will assist the state in developing its workforce investment system.**

Kentucky applied for and received a number of waivers under Job Training Partnership Act which will expire on June 30, 1999. Currently, Kentucky does not intend to request an extension of the existing waivers but is considering applying for workflex authority. Workflex authority could supply the state with the necessary tools to allow maximum flexibility for local workforce investment areas in meeting the needs of customers. Since the characteristics and demographics across Kentucky are very diverse and contain both rural and urban populations, workflex could provide the means to serve individuals based on their specific needs and the barriers to be overcome within each local area. Kentucky may develop and submit a Workforce Flexibility Plan in order to accomplish these goals.

**c. Describe regional planning efforts, information sharing and/or coordination activities that will occur to help performance of all local areas.**

Kentucky is implementing several initiatives that will simplify access to information and services, cultivate community and state partnerships, focus on specific community needs, promote shared training and resources among agencies, provide service coordination, and deliver a comprehensive reporting feature in a user-friendly system. An electronic data system will improve common data collection on customers with self-service functions including registration and assessment. A statewide directory of resources and services will be available on the Internet, with links to a geographic information system providing specific local points of service, pictures, and maps. Electronic connectivity among state

agencies, educational institutions, military installations, economic development organizations and employers will increase access points, improve the quality of information for staff and customers, and help provide workers for jobs and jobs for workers. Plans also include a virtual office-telecommuting pilot project to increase customer access to service delivery and a data warehousing project to enable data and information sharing.

Suggested addition: In connection with the increase in computerization, provisions should be made to provide necessary computer skills and internet searching skills for persons who must access a system.

## **2. Services**

### **a. How will state assist local areas in the evolution of existing local one-stop delivery systems?**

More than four years of effort have gone into Kentucky's transition to the existing One-Stop Career Center systems. Liberal and intensive technical assistance by a multi-agency team was critical in the successful implementation of 22 unique and diverse systems. Many of the strategies used in this process, coupled with the best practices/lessons learned, will be invaluable in evolving Kentucky's current one-stop systems towards the Act.

Many aspects of the new Act are similar to the one-stop initiative. The guiding principles of universality, customer choice, integration and performance measures are the foundations of both. The concept of a local system is greater than mere stand-alone centers. A monitoring process to review system-wide adherence to the approved local plan was established. Standardized and targeted training was offered across the state on new skills and system enhancement to expand staff capabilities.

There are inconsistencies in the two as well. The new language that expands the required partners provides the mandate that the current grant did not carry. New provisions include the concepts of an operator that acts as a liaison between the LWIB and local providers, and individual training accounts. These concepts will require the most intensive assistance and education.

However, a concern exists that the current one-stop system must be abolished to make way for the new agenda. In fact, the Act encourages multiple access points; it only discusses single comprehensive centers in terms of the minimum requirement for each are. If an existing One-Stop Comprehensive Center is not selected to continue in that capacity, it could remain a viable service point for customers.

### **The state intends to employ the following strategies to assist LWIBs in the evolution of existing centers:**

Technical assistance will be provided by a taskforce comprised of representatives of required partners. Technical assistance provided by state administrative agency. This assistance will be on an as-needed basis. Special concerns that arise via the KWIB can be researched and explored through this body. The coordination of this activity should be orchestrated through the administrative agency for the Act.

Needs assessment is an important mechanism to determine the level and type of technical assistance. A statewide survey will be developed and administered to WIA partners. Upon

evaluation, strategic intervention will be applied via technical assistance and capacity building opportunities.

Innovative and demonstration grants may be offered by the state to encourage peer modeling and identification of best practices. These will be shared with local areas that will be encouraged to work together.

A series of statewide forums may be conducted to educate partners, businesses and communities on the Act. The feedback from these forums will be used to structure on-going assistance and information. Tools such as web sites, newsletters and video-teleconferences could be employed to foster the one-stop system.

**b. Describe types of employment and training activities that will be carried out with adult and dislocated worker funds received.**

The response does not seem to answer the question.

The Cabinet for Workforce Development will maximize the effective utilization of funds that provide statewide employment and training activities through increased outreach and marketing, staff cross-training, partnerships with public and private entities serving target populations, and outcome goals for customers served and placed in the activities described below;

- The CWD, in coordination with local boards in the state, shall conduct and periodically report on workforce investment activities in order to provide continuous improvement by achieving higher levels of performance and outcomes and customer satisfaction.
- The CWD will provide incentive grants to local areas for cooperation among local boards and local coordination of activities under this Act. Regional incentive grants may be awarded to regions that meet or exceed the performance measures. Technical assistance will be provided by the state administrative agency to regions that fail to meet performance measures.
- Consistent with the requirements of this Act, the CWD shall establish and operate a fiscal and management accountability information system. This system will be based on guidelines established by the U.S. DOL Secretary.
- Other allowable statewide employment and training activities, authorized by this Act and determined to be necessary to carry out activities relating to the statewide workforce investment system, may be conducted.

**c. How will the services provided by each of the required and optional one-stop partners be coordinated and made available through the one-stop system?**

A primary strategy in any coordination is the planning process. Local WIBs shall work closely with all partners in the area to ensure an integrated and coordinated approach with the goal to reduce duplication and fragmentation in the delivery of services. Local boards will have the responsibility to ensure that all required services (and optional/core partners) are available in at least one full-service center in the area.

**Critical areas to be focused upon in the planning process include:**

- Co-location - Every opportunity to co-house services and partners should be taken advantage of, no matter what level of service is planned. Co-location with full-time service delivery is recognized as the most effective means to deliver coordinated

services. Therefore, LWIBs should promote co-housed services and partners, whenever feasible.

Proposed text: It is recognized that services ideally should be available throughout the Commonwealth through a system of One-Stop Career Centers that feature co-location of partners. However, physical and demographic realities constrict the ability of agencies to staff multiple centers. In keeping with the technological advances, and to allow the greatest number of possible contact points, electronic connectivity will be a major component of the future of the One-stop system. Through EMPOWER Kentucky initiatives such as "Employ Kentucky" the state board will continue to explore ways which enable partners external to state government to access data bases that improve accessibility.

- Information Sharing – Connectivity and the ability to share common client information is vital to coordinated customer services. While the state will provide a common technology platform and develop confidentiality agreements, LWIBs should continue to discover ways to streamline the system.
- Referral and Assessment – The capability to electronically refer customers and share assessment data will be provided by the state's technology system. Local flexibility and market demands will allow for different assessment methods, which the technology can then share among partners.
- Training and Placement Activities – Local WIBs are encouraged to seek out opportunities to coordinate and integrate these types of activities.
- Employer – Job Development – Coordination should be orchestrated to ensure that information is shared, efforts are maximized and confusion reduced.

Response does not answer the question. There is still a need to address 1) how funds will be used to leverage other federal, state, and private resources, 2) how the state will use 10% funds under section 7B of the Wagner-Peyser Act, and 3) describe and provide examples of how coordinated and leveraged funds will lead to a more effective program.

- d. **Describe how the needs of dislocated workers, displaced homemakers, low-income individuals such as migrants and seasonal farm workers, women, minorities, individuals training for non-traditional employment, veterans, and individuals with multiple barriers to employment be met? How will the State ensure nondiscrimination and equal opportunity?**

The state's EEO plan should be incorporated under this section.

Kentucky will continue to develop and refine strategies to identify and meet the needs of targeted populations in a workforce system that is universal, seamless, customer-focused and performance based. Activities and programs will be assessed for effectiveness and responsiveness and continuously improved to expand outreach and marketing to customers, increase staff development and cross-training, and build partnerships with public and private entities that work with targeted groups. These strategies will support success in individual goals and state and local performance outcome goals and will ensure non-discrimination and equal opportunity.

- *Dislocated workers*: The CWD will exchange information and coordinate programs with economic development agencies at state and local levels to develop strategies that may

avert plant closings or mass layoffs and accelerate the re-employment of affected individuals. Marketing and outreach efforts will increase awareness of available services to groups such as potential dislocated workers, employers, organized labor, state and local economic development agencies, chambers of commerce, and social services agencies. Worker profiling will increase responsiveness to re-employment needs of the dislocated worker in Kentucky. Early identification and timely referral of dislocated workers will maximize effectiveness of the workforce investment system for dislocated workers.

- *Displaced homemakers* identified in the Carl D. Perkins Vocational and Applied Technological Act or in WIA may be served through access to quality vocational education programs that are high skill, high wage occupations. Employment and training needs of displaced homemakers will be provided through service providers eligible under WIA. Such institutions may provide skill training, guidance and career counseling, assessment, job placement assistance and support services such as tuition and crisis counseling. Displaced homemakers will also receive counseling on career opportunities in nontraditional fields.
- *Low-income individuals*: CFC serves as the chief administrative entity for welfare reform (TANF block grant and the Welfare to Work formula grant) and the Food Stamp Employment and Training Program. Local welfare reform planning has brought together a broad spectrum of both public and private agencies as well as businesses in every Kentucky county. These planning efforts have been the basis for the development of local partnerships designed to best serve the needs of indigent individuals who are working to achieve self-sufficiency. Recognizing the value of the one-stop concept and services for meeting these goals, CFC became involved in the one-stop system during their implementation to assure this valuable resource was available to its clientele. CFC maintains involvement in one-stop activities in various areas of the state, basing the level of involvement upon local one-stop decisions regarding availability of staff and office space. It is critical to welfare reform that this type of local partnership be sustained to avoid duplication of effort in workforce development activities needed by low income individuals and to assure the seamless delivery of services necessary to achieve success in the workforce.
- *Individuals training for nontraditional employment*. Nontraditional employment is defined as employment in occupations for which individuals from one gender comprise less than 25 percent of the individuals employed in each such occupation. Statewide coordination approaches will be provided to encourage the training and retaining of individuals in such employment. Nontraditional training programs and related services to support entry into nontraditional employment will be provided as appropriate. The statewide eligible providers list will specify providers who offer nontraditional training services.
- *Other Individuals with Multiple Barriers to Employment*. Kentucky will try to enhance the employability and increase the earning potential of individuals with multiple barriers to employment. Strategies to address individual needs will include literacy and basic skills programs, occupational skill training, job analyses, job accommodations, disability awareness training and other activities that may address barriers and support achievement of positive employment outcomes. Individuals with multiple barriers to employment will be offered a continuum of education, job training, career counseling

and development to enhance achievement and retention of employment. To enhance the employability skills of individuals with disabilities will take services

- representation of individuals with disabilities on staff;
- cross training for staff;
- disability awareness for staff;
- outreach programs for individuals with disabilities;
- specific staff, service goals and expectations;
- technical assistance to employers such as ADA requirements, information about available tax credits.

**e. Describe how the needs of employers will be determined in the local areas as well as on a statewide basis.**

- Employers will actively participate on the LWIB;
- Employers will actively participate on the KWIB;
- Business and industry will actively participate on the KCTCS Board of Regents;
- Local areas may conduct focus group meetings with area employers to solicit input;
- Major market employers will be surveyed to determine current and projected training needs; and
- An effort will be made to ensure that changes in the circumstances of local employers; i.e. new technology, change in market demands, are addressed by the workforce training delivery system in an expedient manner.

Did not address how services, including Wagner-Peyser Act services, will be delivered to employers through the one-stop system and how the system will streamline administration of federal tax credit programs within the one-stop system to maximize employer participation.

**f. Describe the reemployment services to be provided to Worker Profiling and Reemployment Services claimants.**

The worker profiling and reemployment services system will identify those UI recipients in a field office's administrative area who are most likely to exhaust their claims and who would benefit from re-employment services in order to obtain employment.

If selected from the pool of UI claimants to participate in the profiling program, individuals report to an orientation session during which the program and their responsibility for participation are explained. Those not exempt from further participation proceed to an in-depth assessment interview. During the assessment interview, the participant and DES staff determine which of the available services are most likely to assist the participant to obtain employment. The services included on the profiling program "menu" include:

- in-depth, individual employment counseling to assist those who need to make a vocational choice or overcome other kinds of barriers to employment;
- testing for assessment purposes, utilizing such instruments as the General Aptitude Test Battery (GATB), Interest Inventory, and the Test of Adult Basic Education (TABE);
- self-directed job search, whereby individuals are assigned to make a number of job contacts then report back to a counselor to discuss the results of those contacts and to discuss ways to improve job search techniques; and



- job search workshop training in a group setting which instructs claimants on proven methods for obtaining employment.

Participants who are assessed as needing education or training in order to obtain employment are exempt from further participation in the profiling program if they accept referral to an education or training provider. Other claimants who are assessed as being job ready and for whom there are available job orders for which they are qualified are immediately referred to employers for interviews and are also considered to be exempt from further participation in the profiling program. Thus, the profiling program attempts to serve only those who are most likely to benefit from the available reemployment services.

For those sections which reference Wagner-Peyser funded activities, is it the intent of the WIA state plan that DES be the sole provider of specified functions and services? For example, KCTCS provides assessment, counseling, and career exploration services in joint ventures with other institutions. However, the structure of the question and the current state plan response appears predisposed to designate DES as the provider of services. More specifically, are the worker profiling services noted in this section to be provided only by one agency? We feel KCTCS can also be a provider of these services, e.g. work profiling system, job analysis, etc.

**g. Describe the Wagner-Peyser Act funded strategies to be used to serve persons with disabilities.**

DES will promote and develop through the one-stop centers employment opportunities for persons with disabilities by providing job counseling and placement services for these individuals. The agency will designate at least one person in each one-stop center whose duties will include providing services and assistance for individuals with disabilities. The agency will cooperate with the Governor's advisor for the Americans with Disabilities Act, DVR and DFB to provide needed services to persons with disabilities and will adhere to conditions at 29 CFR, part 34.

**h. How will Wagner-Peyser Act funds be used to serve veterans?**

DES will provide through the one-stop center employment and training services to veterans. Levels of service are targeted to meet or exceed the performance standards established by the Assistant Secretary for Veterans' Employment and Training. Currently, these consist of fourteen performance standards in five basic categories (placement/obtained employment, placement in jobs listed by federal contractors, counseling, placement in training and provided some service).

**i. Describe how the state will provide Wagner-Peyser Act funded services to the agricultural community.**

Services to agricultural workers and employers will be provided by DES through the one-stop centers. This network is supported by a full-time agricultural program coordinator, and the state monitor advocate in the DES central office.

DES will continue to use local and state-wide networks with agricultural employers, growers associations, the Department of Agriculture, USDA Farm Service Agencies, Farm

Bureau and the Agricultural Extension Service to identify farmers who employ migrant and seasonal labor.

DES will utilize linkages with agricultural employers and groups representing Migrant and Seasonal Farm Workers (MSFWs) to identify and contact MSFWs for the provision of all DES services.

DES staff who are trained in MSFW programs will be available either directly or through referral at all one-stop locations. Should demand or organizational considerations require, central office MSFW program staff will be made available to training additional one-stop personnel in all labor market areas.

DES has actively promoted the agricultural recruitment system to Kentucky farmers as an alternative to the H-2A program. This has been done through meetings with tobacco growers that were sponsored by the Kentucky Farm Bureau Federation, disseminating written materials through local offices, Agricultural Extension Service offices, Farm Bureau and other agencies, and the promotion of the program by one growers association.

DES staff maintain an open line of communication with Texas Rural Legal Services and the Kentucky Migrant Legal Services project to facilitate the sharing of information and the discussion of issues that affect migrant and seasonal farm workers.

DES local offices also assure that interpreters for the deaf and hard-of-hearing are available on an as needed basis.

During the planning stages of the implementation of the one-stop concept, the MSFW monitor advocate was afforded the opportunity to participate on the one-stop team that considered co-location of services in a single facility. This team had the responsibility of ensuring that all locations were user friendly and consistent with the one-stop concept. Availability of one-stop centers will enhance the use of services by migrant and seasonal farm workers.

DES will operate an outreach program designed to locate, identify and contact those MSFWs who are not being reached through normal intake activities conducted at the local office level.

**j. What criteria will the state board provide to local boards regarding priority for intensive services and training that must be given to public assistance recipients and other low-income individuals?**

In the event that funds allocated to a local area for adult employment and training activities under paragraph (2)(a) or (3) of section 133(b) are limited, priority for intensive services and training activities shall be given as follows:

- 1) recipients of public assistance who are members of the target populations specified in the Act;
- 2) all other recipients of public assistance;
- 3) other low-income individuals who are members of the target populations; and
- 4) all other low-income individuals.

**k. Describe how the Wagner-Peyser Act funded labor exchange activities will provide a statewide capacity through the one-stop system for a three-tiered service strategy that includes (1) self-service, (2) facilitated self-help service, and (3) staff-assisted service.**

DES will provide labor exchange activities through the one-stop centers located in the local areas. These activities will be available at three levels self-service, facilitated self-help and staff-assisted service.

At the self-service level customers may access America's Job Bank on the internet or DES's Automated Labor Exchange system (ALEX). America's Job Bank can be accessed from any internet connection. DES will provide free access at each one-stop center to both America's Job Bank and ALEX.

Facilitated self-help will include assistance from staff in the operation of the hardware needed to access these sources as well as the provision of resume preparation programs. Guidance from DES staff will also be available as needed in other areas such as interview preparation and training selection.

At the staff-assisted level DES staff will provide job order search and referral, job development, job information service, and employment counseling. Employment counseling includes: vocational assessment, employability development plan, referral to supportive services, referral to training and job search workshops.

Did not address the second part of the question and may want to make reference to merit employees.

**l. Describe how the state will provide rapid response activities.**

The state administrative agency will establish a unit to carry out statewide rapid response activities. The State Rapid Response Unit (SRRU) is responsible for directly providing or ensuring that rapid response is provided by the local workforce delivery system. The SRRU, in conjunction with local WIBs and local elected officials, will provide rapid response activities to dislocated workers experiencing worker dislocations such as disasters, mass layoffs or plant closings, or other events precipitating substantial increases in unemployed individuals.

**THE FOLLOWING REQUIRE ANSWERS PER INSTRUCTIONS**

- i. Identify the entity responsible for providing rapid response services.**
- ii. How will state's rapid response unit's activities involve the LLWIB and LCEO's?**
- iii. Describe the assistance available to employers and dislocated workers.**

**m. Describe your State's strategy for providing comprehensive services to eligible youth, including any coordination with foster care, education, welfare and other relevant resources.**

The local boards shall identify and contract with eligible providers of youth activities in the local areas on a competitive basis, based on recommendations of the local youth councils. The local youth councils should include representatives from both local law enforcement and juvenile justice. There will also be non-financial cooperative agreements with providers of foster care, education, welfare and other relevant resources.

Local boards shall make information regarding its activities, including youth activities, available to the public on a regular basis through open meetings.

Local Youth Councils will develop comprehensive services for the youth to include a strategy to eliminate duplication of services and to target appropriate funding sources for these services. The delivery of the comprehensive youth services must be a coordinated effort with such agencies as local schools family resource and youth service center, foster

care, juvenile justice, law enforcement and other relevant local/state resources. Priority should be given to youth who have documented barriers (i.e., disabled, pregnant or parenting youth) and are in need of additional assistance in completing their education and finding and keeping a job.

Local Youth Councils must also develop other linkages/coordinated efforts with Job Corps, youth opportunity grants and other youth programs. The delivery of comprehensive youth services must be a coordinated effort of all local Youth Council members in order to eliminate duplication of services and to maximize resources made available to our youth. Need to link new statements to state role to accomplish the above.

Did not address question as it relates to Job Corps, Youth Opportunity Grants, and other youth programs.

The draft suggests that only local law enforcement and juvenile justice representatives sit on the Council. Every consideration be given include a DVR/DFB representative on the local Youth Council to ensure availability of their expertise regarding special needs.

**n. Describe how state will, in general, meet the Act's provisions regarding youth program design.**

- In order to provide every Kentuckian with the tools for self-sufficiency in the changing global economy, the state will coordinate activities described in the Carl D. Perkins Vocational and Applied Technology Act with the Workforce Investment Act (WIA).
- DTE administers and supervises technical education to secondary students under the Carl D. Perkins Vocational and Applied Technology Act. The courses offered provide youth with academic and technical knowledge in preparation for a career, future education, and leadership development. This will provide Kentucky with a skilled workforce and economic vitality through high quality educational, training, and employment opportunities.
- State-operated area technology centers will provide occupational exploration for at-risk students, school drop outs, and others to assist in better career decisions. Such activity will be offered within the framework of the child labor and wage and hour laws. This may be offered during the summer and/or after school programs. The effort to keep these target groups in school will assist Kentucky in providing employers with a workforce that better meets employer needs.
- The secondary vocational curriculum is coordinated with postsecondary technical programs, thus preventing duplication and repetition of courses. This relationship between the partners permits secondary students early admission into postsecondary programs through advanced placement or dual enrollment. This effort allows individuals to progress through the educational system more rapidly, increasing workforce participation, and broadening opportunities for educational achievement. Bullet should reflect progress from secondary programs in high schools as well as area technology centers to one and two-year postsecondary programs then to bachelor's degree programs.
- The Commonwealth will provide services to youth for career guidance and education in order to increase workforce participation and educational achievement while decreasing

poverty. Some of these services include, but are not limited to: job search, job placement, guidance and career counseling, substance abuse counseling, parenting classes, on-site child care, and basic skills upgrade programs.

- Demographics of Kentucky indicate the workforce is shrinking, especially among youth. To assist in the development of a skilled workforce and improve economic vitality, the local WIB will work closely with local educational providers to determine the individuals needing services. **Need to clarify which educational providers are referenced.** Additionally, all school systems within the Commonwealth are required to provide alternative school settings for troubled youth.
- To assist in providing every Kentuckian with the tools for self-sufficiency in the changing global economy, there will be summer employment opportunities offering paid and unpaid work experience, within the guidelines of the federal and state child labor, wage and hour laws. These summer opportunities will assist in developing a workforce that will meet employer needs and provide youth with needed resources to continue their education.
- The Commonwealth envisions a true one-stop service system which maintains strong connections with the job market and employers. Follow-up services will be provided by the one-stop centers and/or various partners in the Workforce Investment System.
- **[NEED MORE INFORMATION ABOUT YOUTH PROGRAM DESIGN AND CLARIFICATION WHETHER THE ITEMS LISTED IN THE OUTLINE MUST BE PART OF LOCAL EFFORTS OR IF THEY ARE STATE-FUNDED ACTIVITIES]** State's vision should include more emphasis on needs of at-risk students. Activities which prevent drop-outs and promote successful completion of school are critical to making strides toward the economic gains envisioned by the governor.

Proposed language from Youth Subcommittee: The Commonwealth will meet the Act's requirement for youth program design by ensuring that local boards have the flexibility to develop comprehensive programs that:

- provide eligible youth seeking assistance in achieving academic and employment success, effective and comprehensive activities which shall include a variety of options for improving education and skills competencies and provide effective connections to employers;
- ensure on-going mentoring opportunities for eligible youth with adults committed to providing such opportunities;
- provide opportunities for training to eligible youth;
- provide continued supportive services for eligible youth;
- provide incentives for recognition and achievement to eligible youth, and
- provide opportunities for eligible youth in activities related to leadership development, decision-making, citizenship and community services.

### 3. System Infrastructure

#### a. How will the state manage the locally-operated ITA system?

The Commonwealth of Kentucky, recognizing the diverse geographical needs of the state, will allow local workforce investment areas significant flexibility in the operation of the individual training accounts (ITAs) system. Therefore, LWIBs will be required to describe

how the local service provider certification system will operate, including the economic, geographic and demographic factors in the local areas to determine initial and subsequent eligibility of the providers. Other characteristics to be described include the populations in the area served by the providers seeking eligibility and the barriers to such service.

Because of the portability envisioned for the use of ITAs, we would recommend that the state board establish parameters for the development of the ITA systems to be used by local WIBs. To facilitate the access of an individual in one workforce investment Area, some standardization would be beneficial.

Local WIBs will also be required to specify in local plans the individual training account system, particularly the criteria to be used if the board should determine that an insufficient number of providers exist or when other exceptions to using ITAs may be invoked. The criteria shall include any cost ceiling or limitations on the amount of an ITA and the criteria to be used for ensuring reasonableness of costs.

The KWIB must provide a drop dead date for the actions in the preceding two paragraphs to occur or the state will face sanctions.

The state will insure compliance with local plans through its monitoring system which will include, but not be limited to, at least one on-site visit annually. Monitoring activities will include the review of policies and procedures, expenditure reports, information system reports, the service provider certification process, the individual training account system and the review of performance, both at the provider and the area levels. However, recognizing that performance is the ultimate compliance indicator, outcomes rather than processes, will be the determinate of success at the local level.

The state will maintain electronically the list of eligible training providers and performance data and will provide for its update as often as possible, but not less than annually. In an effort to assist individuals in selecting the appropriate training provider, this information will be available to the LWIBs, the one-stop center staff, and individuals through electronic means, such as web sites on the Internet. The Kentucky Resource Directory will **may** serve as another vehicle to access information regarding providers and performance.

**b. Describe the competitive and non-competitive process that will be used at the state level to award grants and contracts under Title I.**

**Standards Established Through Section 184(a)(3) of the Act**

Kentucky has prescribed and implemented procurement standards that are in accordance with Section 184(a)(3) of the Act. Section 184(a)(3) requires states, local areas and providers receiving funds under this Act to comply with the Uniform Administrative Requirements as promulgated in circulars or rules by the Office of Management and Budget. The Uniform Administrative Requirements, codified by the Department of Labor in 29 CFR Part 97, provides the standards and procedures for procurement of goods and services in Section 97.36, *Procurement*.

**Competitive and Non-competitive Contract Award Processes (State)**

The administrative regulation 29 CFR 97.36(a), States, read as follows: "When procuring property and services under a grant, a State will follow the same policies and procedures it uses for procurements from its non-federal funds." The Commonwealth of Kentucky uses the provisions of the *Kentucky Model Procurement Code* [Kentucky Revised Statutes

(KRS), Chapter 45A] for the procurement of all goods and services by State agencies. These methods for awarding contracts are contained within the Model Procurement Code:

- Competitive sealed bidding (KRS 45A.080);
- Competitive negotiation (KRS 45A.085 and 45A.090);
- Noncompetitive negotiation (KRS 45A.095);
- Small purchase procedures (KRS 45A.100); and
- Responsibilities of bidders and offerors (KRS 45A.110).

**c. How will state improve its technical and staff capacity to provide services to customers and improve entered employment outcomes?**

In an effort to improve the state's technical and staff capacity, there is currently underway several innovative projects to achieve this goal. Through Employ Kentucky and EMPOWER Kentucky, data systems are being designed and tested that encourage employers and job seekers to better meet the other's needs. DES will design a new data system to allow employers to directly enter job orders. America's Job Bank will be available in all one-stop centers. Employers will be encouraged to use these electronic linkages. Suggested staff development programs may include elements of disability awareness, staff cross-training, customer service, case management, teams work, leader/facilitator, tools and presentation skills. Ultimately, these efforts will improve services to customers and employment outcomes.

**d. How will the state improve its employment statistics system?**

The collection of accurate and complete information is essential to the administration of the workforce development system, career choices for youth, Kentucky's economic development efforts, and to the planning and staffing decisions of employers. Therefore, the Division of Administration and Financial Management within DES will seek guidance from the USDOL, Bureau of Labor Statistics, along with input from state agencies and local leadership to develop improvements to the collection and reporting of employment statistical data. This program of improvement will include revision to current computer systems and publications of the agency.

Every employer will be surveyed through the unemployment insurance tax reporting system. This process will become the vehicle for a more complete set of data regarding wages by occupation, demand by occupation, occupational outlook by industry sector, economic forecast by industry sector, and other data determined by the KWIB to be relevant to perfecting workforce development services.

**e. Identify the criteria to be used by local boards in awarding grants for youth activities, including criteria used by the Governor and local boards.**

In awarding grants for youth activities, KWIB and LWIBs will assure that providers must address applicable criteria from the following:

- ability to deliver testing and assessment services;
- strong employer linkage;
- comprehensive guidance and substance abuse counseling;
- employment opportunities: paid and unpaid work experience that follow federal and/or state child labor laws;



- accommodations for special needs populations;
- ability to deliver basic skills, tutoring and training skills including drop-out prevention strategies;
- alternative secondary school services;
- summer employment opportunities directly linked to academic and occupational learning;
- work experiences, including internships and job shadowing;
- occupational skills training;
- leadership development opportunities;
- supportive services;
- adult mentoring for not less than 12 months;
- follow-up services.

The local boards have the discretion to determine what specific services are provided to youth participants based upon local area needs.

## V. PERFORMANCE MANAGEMENT

1. **For each of the core indicators identified in Section II, the customer satisfaction indicator and additional state measures, explain how the state worked with local boards to determine the level of the performance goals.**

The state worked through a variety of methods with the local boards to negotiate the level of each core performance indicator and the customer satisfaction indicators. The methods used to negotiate included face to face discussions as well as electronic communications.

2. **Does the state have a common data system in place to track progress? If so, describe.**

Kentucky is currently developing several technology projects under the EMPOWER Kentucky initiative of Simplified Access. These include a data-warehousing project that will allow all information to be shared via a common repository. A shared client information system that will begin the client tracking process is also under development. A joint application design team will be brought together that will examine the existing JTPA management information system and research ways to link all of these resources.

One of the current systems being developed is Peoplesoft's state-of-the-art financial, administrative, and student information system. This system will provide data important to the tracking of WIA participants, and therefore, should be an integral part of the shared client information system.

In response to the question of "whether Kentucky has a common data system in place to track progress" is a statement that indicates Kentucky is developing a "data warehousing project that will allow all information to be shared by a common repository." At this time the warehouse is designed to include some data from three systems - KAMES, TWIST and AWS. It does not include data that reflects the performance of education and training programs. It may be possible and desirable to do so, but we assume this would have to be explored by both the data warehouse work group and the new WIA Technology group.

**3. Describe the system(s) by which the state measures customer satisfaction for job seekers and employers.**

Customer satisfaction has a critical role in continuous improvement efforts. Several of the partners identified in the Act currently assess customer satisfaction following services in order to meet federal mandates. It will be necessary for LWIBs to develop instruments to measure satisfaction with services, service delivery and outcomes. Technical assistance will be provided by the state administrative agency in development and implementation of customer satisfaction measures.

Kentucky has identified job seekers, employers and information seekers as customers of the workforce investment system. Measurement by LWIBs will provide the state with information to establish a baseline of satisfaction for these groups and expectations are that the baseline will improve each year. The KWIB will require information on overall customer satisfaction but would support flexibility among the LWIBs who may choose the method as well as information beyond the core indicators of services, service delivery and outcomes. Such methods of measurement may include, but are not limited to, surveys, mail and telephone, follow-up interviews, and postcards. The LWIBs may also choose customer satisfaction performance measures that take into account local differences in demographics and economic conditions and services provided to targeted groups.

**4. Describe any actions the state board will take to ensure collaboration with key partners and continuous improvement of the statewide workforce investment system.**

The KWIB will establish general oversight requirements for the LWIBs to ensure that specific monitoring and oversight policies and continuous improvement goals are in place in relation to local performance and local area service providers. At a minimum, an annual evaluation regarding the policies and outcomes will be conducted by the state administrative agency at the direction of the KWIB.

**5. How will the state and local boards evaluate performance?**

Both the KWIB and LWIBs will use the departure points for performance indicators as required by the Act.

The Commonwealth has chosen to use the core performance indicators as required by the U.S. DOL. The Governor has chosen not to impose further prescribed indicators in the measurement of the performance of the areas at this time. These indicators are detailed in Section II of this plan.

The determination of the state or local performance as measured against its adjusted standards will determine whether a provider has failed to meet all performance indicators. The state has defined failed to meet as performing below the specific performance indicator. State service providers will be monitored by the state administrative agency and local providers will be monitored by the LWIBs.

When a provider does not meet a performance indicator (discovered through desk top monitoring), technical assistance will be provided to assist the area/provider in improving the performance and corrective action may be required. If the area/provider fails to improve the performance after the specified time frame, sanctions may be imposed (which may include reorganization of the area or termination of provider eligibility).

The KWIB and LWIBs will use performance information to make necessary adjustments for continual improvement in provider performance over the five (5) year period and beyond.

The accountability standards present the most challenge. The Council on Postsecondary Education has presented an annual accountability report on the public institutions and will continue to do so. WIA requires accountability measures. If the measures are to be useful and meaningful they will not be easy. Consider the following:

- . develop consistent measures and definitions;
- . keep education measures comparable to those required by accrediting organizations and state agencies;
- . standardize required reports in areas such as enrollments, completions, placements, and customer satisfaction;
- . consider securing data from statewide sources such as placement and wages from unemployment insurance files.

## VI. ASSURANCES

1. The state assures that it will establish, in accordance with section 184 of the Workforce Investment Act, fiscal control and fund accounting procedures that may be necessary to ensure the proper disbursement of, and accounting for, funds paid to the state through the allotments made under sections 127 and 132.
2. The state assures that the adult and youth funds received under the Workforce Investment act will be distributed equitably throughout the state, and that no local areas will suffer significant shifts in funding from year to year.
3. The state assures that veterans will be afforded employment and training activities authorized in section 134 of the Workforce Investment Act, to the extent practicable.
4. The state assures that the Governor shall, one every two years, certify one local board for each local area in the state.
5. The state assures that it will comply with the confidentiality requirements of section 136(f)(3).
6. The state assures that no funds received under the Workforce Investment Act will be used to assist, promote, or deter union organizing.
7. The state assures that the Governor shall, every two years, certify to the Secretary, that:
  - (A) The state has implemented the uniform administrative requirements referred to in section 184(a)(3);
  - (B) The state has annually monitored local areas to ensure compliance with the uniform administrative requirements as required under section 184(a)(4); and
  - (C) The state has taken appropriate action to secure compliance pursuant to section 184(a)(5).
8. The state assures that it will comply with the nondiscrimination provisions of section 188, including an assurance that a Methods of Administration has been developed and implemented.

9. The state assures that it will collect and maintain data necessary to show compliance with the nondiscrimination provisions of section 188.
10. The state assures that it will comply with the grant procedures prescribed by the Secretary (pursuant to the authority at section 189(c) of the Act) which are necessary to enter into grant agreements for the allocation of and payment of funds under the Act. The procedures and agreements will be provided to the state by the ETA Office of Grants and Contract Management and will specify the required terms and conditions and assurances and certifications, including, but not limited to, the following:

- General Administrative Requirements:

29 CFR part 97 Uniform Administrative Requirements for State and Local Governments (as amended by the Act)

29 CFR part 96 (as amended by OMB Circular A-133)

OMB Circular A-87 Cost Principles (as amended by the Act)

- Assurances and Certifications:

SF 424 B - Assurances for Non-construction Programs

29 CFR part 31, 32 Nondiscrimination and Equal Opportunity Assurance (and regulation)

CFR part 93 Certification Regarding Lobbying (and regulation)

29 CFR part 98 Drug Free Workplace and Debarment and Suspension Certifications (and regulation)

- Special Clauses/Provisions:

Other special assurances or provisions as may be required under federal law or policy, including specific appropriations legislation, the Workforce Investment Act, or subsequent Executive or Congressional mandates.

11. The state certifies that the Wagner-Peyser Act Plan, which is part of this document, has been certified by the State Employment Security Administrator.
12. The state certifies that veterans' services provided with Wagner-Peyser Act funds will be in compliance with 38 U. S. C. Chapter 41 and 20 CFR part 1001.
13. The state certifies that Wagner-Peyser Act-funded labor exchange activities will be provided by merit-based public employees.
14. The state certifies that Workforce Investment Act, section 167 grantees, advocacy groups as described in the Wagner-Peyser Act (e.g., veterans, migrant and seasonal farm workers, people with disabilities, UI claimants), the state monitor advocate, agricultural organizations, and

employers were given the opportunity to comment on the Wagner-Peyser Act grant document for agricultural services and local office affirmative action plans and that affirmative action plans have been included for designated offices.

15. The state assures that it will comply with the annual Migrant and Seasonal Farm worker significant office requirements in accordance with 20 CFR part 653.
16. The state has developed this Plan in consultation with local elected officials, local workforce boards, the business community, labor organizations and other partners.
17. The state assures that it will comply with section 504 of the Rehabilitation Act of 1973 (29 USC 794) and the American's with Disabilities Act of 1990 (42 USC 12101 et seq.).
18. The State assures that funds will be spent in accordance with the Workforce Investment Act and the Wagner-Peyser Act legislation, regulations, written Department of Labor Guidance, and all other applicable federal and state laws.

**DEBARMENT**

**Certification Regarding  
Debarment, Suspension, and Other Responsibility Matters  
Primary Covered Transactions**

Application Organization: **Workforce Development Cabinet**

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 29 CFR Part 98, Section 98.510, Participants' Responsibilities. The regulations were published as Part VII of the May 16, 1988, Federal Register (Pages 19160-19211).

**(BEFORE SIGNING CERTIFICATION, READ ATTACHED INSTRUCTIONS WHICH ARE  
AN INTEGRAL PART OF THE CERTIFICATION)**

1. The prospective primary participant, (i.e. grantee) certifies to the best of its knowledge and belief, that it and its principals:
  - a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;
  - b. Have not within a three-year period preceding this proposal been convicted or had a civil judgement rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property.
  - c. Are not presently indicted for or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph (1) (b) of this certification; and
  - d. Have not within a three-year period preceding this application/proposal had one or more public transactions (federal, state, or local) terminated for cause or default.
2. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Allen D. Rose, Secretary

Name and Title of Authorized Representative

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Signature

Date

## LOBBYING

<p style="text-align: center;"><b>Certification Regarding Lobbying</b> <b>Certification for Contracts, Grants, Loans, and Cooperative Agreements</b></p>
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The undersigned certifies, to the best of his/her knowledge and belief, that:

1. No federal appropriated funds have been paid or will be paid, by or on behalf of the undersign, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
2. If any funds other than federal appropriate funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or any employee of a Member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U. S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Cabinet for Workforce Development

Allen D. Rose, Secretary  
Name and Title of Authorized Representative

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Signature

Date



## NONDISCRIMINATION

### 29 CFR Part 34

#### Nondiscrimination and Equal Opportunity Certification

As a condition to the award of financial assistance under WIA from the Department of Labor, the grant applicant assures, with respect to operation of the WIA-funded program or activity and all agreements or arrangements to carry out the WIA-funded program or activity, that it will comply fully with the nondiscrimination and equal opportunity provisions of the Workforce Investment Act of 1998, including the Nontraditional Employment for Women Act of 1991; title VI of the Civil Rights Act of 1964, as amended; section 504 of the Rehabilitation Act of 1973, as amended; The Age Discrimination Act of 1975, as amended; title IX of the Education Amendments of 1972, as amended; and with all applicable requirements imposed by or pursuant to regulations implementing those laws, including but not limited to 29 CFR Part 34. The United States has the right to seek judicial enforcement of this assurance.

Cabinet for Workforce Development

Allen D. Rose, Secretary

Name and Title of Authorized Representative

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Signature

Date

## VII.PROGRAM ADMINISTRATION DESIGNEES AND PLAN SIGNATURE

**Name of WIA Title I Grant Recipient Agency:**

Address:

Telephone Number: \_\_\_\_\_ - \_\_\_\_\_

Facsimile Number: \_\_\_\_\_ - \_\_\_\_\_

E-mail Address: \_\_\_\_\_

**Name of State WIA Title I Administrative Agency (if different from the Grant Recipient):**

Address:

Telephone Number: \_\_\_\_\_ - \_\_\_\_\_

Facsimile Number: \_\_\_\_\_ - \_\_\_\_\_

E-mail Address: \_\_\_\_\_

**Name of WIA Title I Signature Official:**

Address:

Telephone Number: \_\_\_\_\_ - \_\_\_\_\_

Facsimile Number: \_\_\_\_\_ - \_\_\_\_\_

E-mail Address: \_\_\_\_\_

**Name of WIA Title I Liaison:**

Address:

Telephone Number: \_\_\_\_\_ - \_\_\_\_\_

Facsimile Number: \_\_\_\_\_ - \_\_\_\_\_

E-mail Address: \_\_\_\_\_

**Name of Wagner-Peyser Act Grant Recipient/State Employment Security Agency:**

Commonwealth of Kentucky  
Cabinet for Workforce Development  
Department for Employment Services  
275 East Main Street, 2<sup>nd</sup> Floor  
Frankfort KY 40621

Address:

Telephone Number: 502 - 564 - 5331  
Facsimile Number: 502 - 564 - 7452  
E-mail Address: Mwhittet@mail.state.ky.us

**Name and title of State Employment Security Administrator (Signatory Official):**

Address:

Telephone Number: \_\_\_\_\_ - \_\_\_\_\_  
Facsimile Number: \_\_\_\_\_ - \_\_\_\_\_  
E-mail Address: \_\_\_\_\_

As the Governor, I certify that for the State/Commonwealth of Kentucky, the agencies and officials designated above have been duly designated to represent the State/Commonwealth in the capacities indicated for the Workforce Investment Act, Title I, and Wagner-Peyser Act grant programs. Subsequent changes in the designation of officials will be provided to the U. S. Department of Labor as such changes occur.

I further certify that we will operate our Workforce Investment Act and Wagner-Peyser Act programs in accordance with this Plan and the assurances herein.

\_\_\_\_\_  
**Typed Name and Signature of Governor**

\_\_\_\_\_  
**Date**